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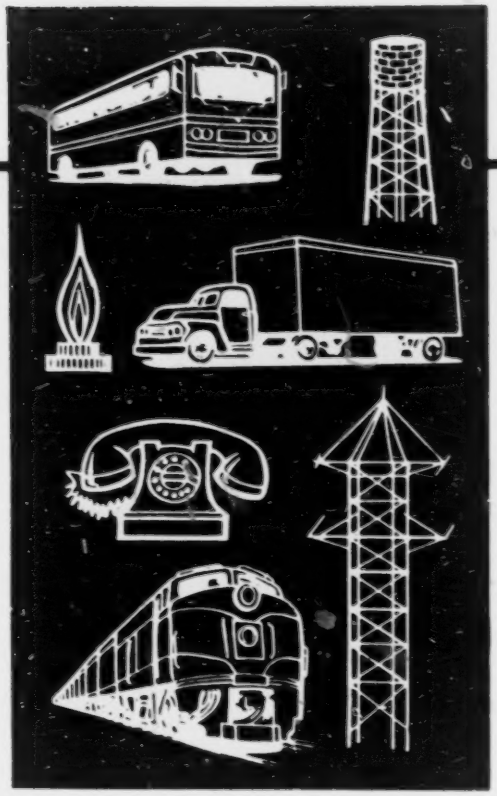

North Carolina Utilities Commission

1984 Report — VOL. XV

Major Activities — July 1982 through March 1984
with
Statistical and Analytical Data Through 1982

LETTER OF TRANSMITTAL

May 1, 1984

The Honorable James B. Hunt, Jr.
The Governor of North Carolina
Raleigh

Dear Governor Hunt:

We hereby present for your consideration the 1984 Report of the North Carolina Utilities Commission pursuant to Section 17 of the Public Utilities Act of 1963 as amended in 1977 (G.S. 62-17). The report covers the major activities of the Commission for the period July 1982 through March 1984 with statistical and analytical data for the operations of the utilities through 1982.

Respectfully submitted,
Roger K. Koger, Chairman
Charles E. Branford, Commissioner
A. Hartwell Campbell, Commissioner
Ruth E. Cook, Commissioner
Edward B. Hipp, Commissioner
Douglas P. Leary, Commissioner
Sarah Lindsay Tate, Commissioner

Prepared by

North Carolina Utilities Commission
Finance, Statistics, Budget & Planning Division
P.O. Box 991 — Raleigh, N.C. 27602
Telephone No. 919/733-7680

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I. Organization And History

A. COMMISSION STAFF AND ORGANIZATION CHART

There were seven commissioners and 56 funded positions comprising the Commission Staff as of March 31, 1984. Commissioners are appointed by the Governor subject to confirmation by the General Assembly in joint session.

NORTH CAROLINA UTILITIES COMMISSION
COMMISSION STAFF
Commissioners & Supervisory Personnel
As of March 31, 1984

Commissioners

Robert K. Koger, Chairman

A. Hartwell Campbell
Commissioner

Douglas P. Leary
Commissioner

Ruth E. Cook
Commissioner

Sarah Lindsay Tate
Commissioner

Edward P. Hipp
Commissioner

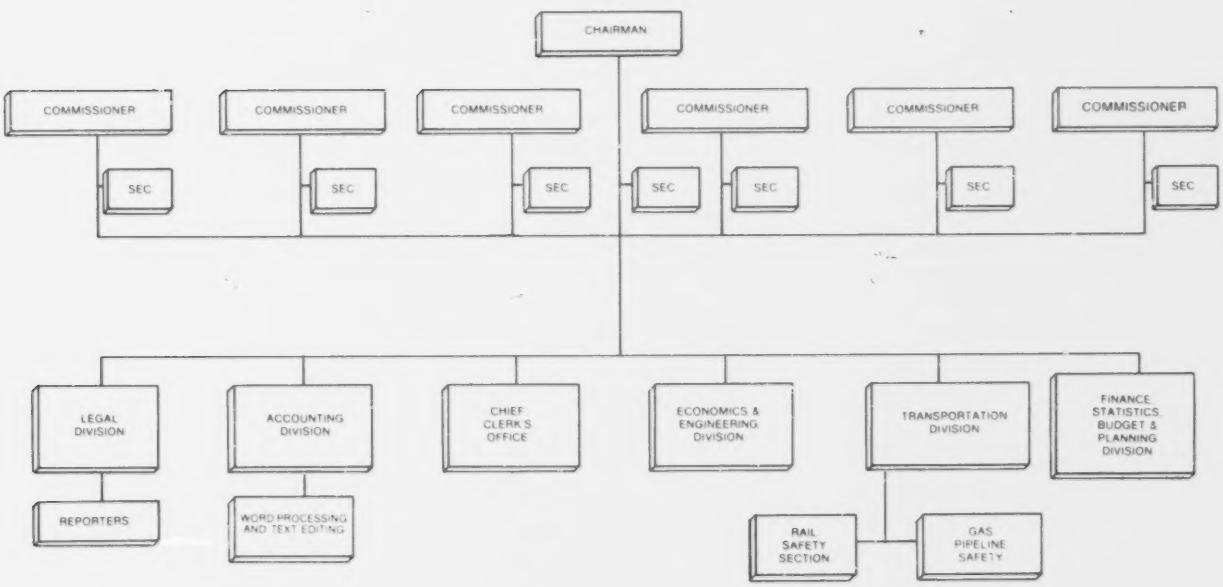
Charles E. Branford
Commissioner

Staff Heads & Directors

Chief Clerk	Mrs. Sandra Webster
Legal Division	Robert H. Bennink, Jr.
Accounting Division	Donald R. Hoover
Engineering Division, Electric	David F. Creasy
Finance, Statistics, Budget & Planning Division	Joseph W. Smith
Transportation Division (Includes Motor, Rail and Gas Pipeline Safety Activities)	Danny C. Stallings

FIGURE NO. 1-1

COMMISSION STAFF—ORGANIZATION CHART
MARCH 31, 1984



3. BIOGRAPHICAL SKETCH OF COMMISSIONERS AS OF MARCH 31, 1984

Robert K. Koger, Chairman: Born September 10, 1936, in Byrdstown, Tennessee; University of Tennessee (BS in electrical engineering), North Carolina State University (Master of Economics), North Carolina State University (Ph.D. candidate in industrial engineering); U.S. Rural Electrification Administration Engineer in North Carolina (1961-67), NCUC Utilities Engineer (1967-70), Director of NCUC Engineering Division (1970-77); Licensed Professional Engineer; assumed Commissionership May 24, 1977, current term ends June 30, 1989; married (Jeanne), three children.

A. Hartwell Campbell, Commissioner: Born October 8, 1916, in Buies Creek, North Carolina; Campbell College (AA), Wake Forest University (BS), University of North Carolina, Yale University (BD); minister of church (1941-46), manager and owner of radio and television stations (1946-79), member of State Physical Fitness Commission, member of Greenville City School Board (1958-63) and City Council (1963-64), State Representative (1969-79); assumed Commissionership July 2, 1979, current term ends June 30, 1987; married (Verda), three sons.

Edward B. Hipp, Commissioner: Born August 30, 1921, in Charlotte, North Carolina; Davidson College (BS), University of North Carolina (JD); World War II Infantry Rifle Platoon Leader (1942-46) (awarded Silver Star and Purple Heart), private law practice (1953-61), staff tax attorney and Revisor of Statutes for North Carolina Attorney General's Office (1950-53), special counsel for North Carolina General Statutes Commission Utilities Law Revision (1962-63), North Carolina Utilities Commission General Counsel (1963-77); assumed Commissionership October 21, 1977, current term ends June 30, 1989; married (Dorothy), three children.

Douglas P. Leary, Commissioner: Born June 1, 1935, in Tyner, North Carolina; East Carolina University (BS in Business Administration); United States Army with service in Korea (1954-56), Carolina Telephone and Telegraph Company (1960-61), Executive Staff Assistant at Four County Electric Membership Corporation (1961-72), General Manager of Wake Electric Membership Corporation (1972-79); assumed Commissionership December 20, 1979, current term ends June 30, 1985; married (Becky), three sons.

Sarah Lindsay Tate, Commissioner: Born March 14, 1927, in Charlotte, North Carolina, University of North Carolina (AB, LLB); Raleigh Community Relations Commission, associate counsel for insurance companies, private law practice; assumed Commissionership May 24, 1977, current term ends June 30, 1985; one daughter.

Ruth E. Cook, Commissioner: Born November 11, 1929, in Berlin, Germany; New York University, Member of the North Carolina House of Representatives (1974-83), Chairman of Appropriations Base Budget Committee on Human Resources, Chairman, Consumer Protection Committee of the Southern Legislative Conference of the Council of State Governors (1982), The N.C. Housing Programs Study Commission, Chairman (1981-82), Governor's Task Force on Science and Technology (1982), Savings and Loan Study Commission (1980), Board of Directors of North Carolina Housing Finance Agency (1981), Chairman, North Carolina Council for the Hearing Impaired (1979), Executive Director, State Council for Social Legislation (1966-74), President, North Carolina Consumers Council (1977), Charter Board Member, Raleigh Inter-Church Corporation (1966-69), President, League of Women Voters (1963-65), Member, Wake County Democratic Women, assumed Commissionership July 1, 1983. She replaced John W. Winters who served as Commissioner from July 1977 to June 1983. Current term ends June 30, 1991; husband (deceased), two children.

Charles E. Branford, Commissioner: Born March 18, 1923, in Baltimore, Maryland; BS degree from Winston-Salem State College (1945), M.Ed. from Penn State University (1950), owner, Swift Stores, taught and coached at Darden High School, Wilson, North Carolina (1945-65), Member of the Board of Directors of: Wilson County Technical Institute (1971-80), Chairman of the Board (1975-77), Wilson County Chamber of Commerce (1975-78) (1983-present), North Carolina State Board of Community Colleges (1980-84), Governor's Advisory Council on Tourism & Travel (1980-present), Wilson Downtown Redevelopment Corporation (1981-present), Wilson Memorial Hospital (1982-present), and North Carolina Citizens for Business & Industry (1982-present); assumed Commissionership February 6, 1984. He replaced Dr. Leigh Hammond who served as Commissioner from May 1977 to January 1984. Current term ends June 30, 1985; married (Susie).

C. BIOGRAPHICAL SKETCH OF EXECUTIVE DIRECTOR

Robert P. Gruber began his term as Executive Director on July 1, 1983. From February 1978 until this apointment he had served as General Counsel to the North Carolina Utilities Commission. From 1973 to 1978 he had been employed by the North Carolina Department of Justice where he had served as a Special Deputy Attorney General in charge of the Utilities Section. Prior to this he had been in private law practice in Raleigh, North Carolina. He earned his law and undergraduate degrees from the University of North Carolina.

D. PUBLIC STAFF AND ORGANIZATION CHART

As of March 31, 1984, there were an Executive Director and 80 funded positions comprising the Public Staff of the North Carolina Utilities Commission.

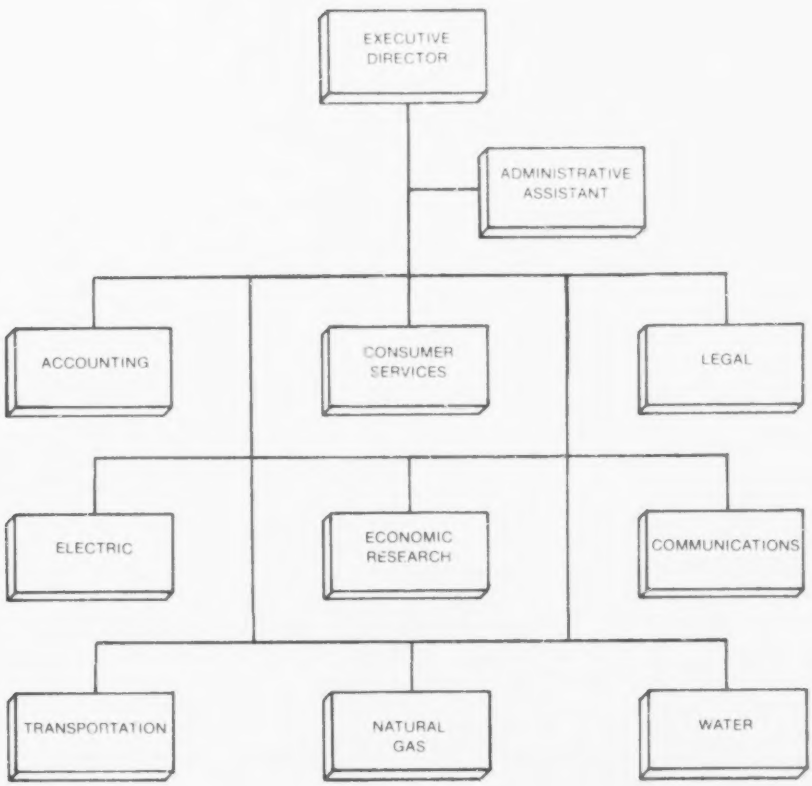
PUBLIC STAFF
NORTH CAROLINA UTILITIES COMMISSION
March 31, 1984

Executive Director
Robert P. Gruber

Administrative Assistant	Margaret K. Kimzey
Accounting Division	William E. Carter
Communications Division	Gene A. Clemmons
Consumer Services Division	J. Craig Stevens
Economic Research Division	Hsin-Mei C. Hsu
Electric Division	Dennis J. Nightingale
Gas Division	Raymond J. Nery
Legal Division	James D. Little
Transportation Rates Division	James C. Turner
Water Division	Jerry H. Tweed

FIGURE NO. 1-2

PUBLIC STAFF—ORGANIZATION CHART
MARCH 31, 1984



E. HISTORICAL SKETCH OF DEVELOPMENT

The present North Carolina Utilities Commission evolved from the Railroad Commission which was created in 1891 by the General Assembly and was given authority to determine charges made for services rendered by railroads, steamboat or canal companies, express and telegraph companies.

The major changes occurring in North Carolina regulatory field since 1891 are in chronological order as follows:

1893—Telephone industry brought under regulation.

1897—Street railways brought under regulation.

1899—Railroad Commission abolished and the North Carolina Corporation Commission created. The North Carolina Corporation Commission was given general supervision of railroads, steamboat navigation and canal companies, express and telegraph and telephone companies, building and loan associations, banks, and sleeping car companies.

1900—The Corporation Commission's duties enlarged to encompass general supervision over tax listers and tax assessors.

1905—Supervision of building and loan association transferred to State Insurance Commissioner.

1913—Electric light, power, water, and gas companies, excluding municipally owned, came under regulation.

1925—Capital Issues Law administered by the Corporation Commission. Motor vehicle common carriers of persons and property over regular or specified routes brought under regulation.

1931—Transfer of banking department to the Commissioner of Banks.

1933—The Corporation Commissioner abolished. The office of Utilities Commissioner created with two associate commissioners.

1937—Administration of Capital Issues Law transferred to Secretary of State.

1941—The North Carolina Utilities Commission established, consisting of three full-time members with six-year terms.

1947—Motor Vehicle common and contract carriers of property over irregular routes brought under regulation and regulation implemented.

1949—Bus Act of 1925 replaced and jurisdiction over common and contract carriers of passengers, regular and irregular routes, expanded. Membership increased to five commissioners and a technical staff of engineers, accountants, and directors of transportation added.

1963—The utility laws of North Carolina updated and rewritten.

1965—Electric Membership Corporation brought under limited jurisdiction of the Utilities Commission relating to assignment of service and promotional payments.

1967—The following amendments to the General Statutes 62 known as the Public Utilities Act are of significance to the public and the regulatory agency:

a. Initiation of Cooperative Agreement in the enforcement of interstate motor carriers satety regulations with the Interstate Commerce Commission. (G.S. 62-266)

b. Authorization for the Utilities Commission to collect same fees for registration of interstate authority and interstate vehicles as is charged intrastate carriers. (G.S. 62-300)

c. Authority to regulate the standards of safety for interstate natural gas pipelines passing through North Carolina (G.S. 62-41 and G.S. 62-43)

d. Change in appeal procedure of Utility Cases; they now go to the Court of Appeals rather than to the Superior Courts. (G.S. 62-90)

1969—The following amendments to the General Statutes 62 known as the Public Utilities Act are of interest to the general public and the regulatory agency:

a. *Register ICC Exemptions.* Authorization for the Commission to require *all* interstate carriers to file copies of their respective interstate authority or register their *exempt* operation. The registration for the ICC exempt carriers for the first time is the significant feature of this act. (G.S. 62-266)

b. *Inspect Utility Affiliate Records.* Authorization for the Commission to inspect the books and records of corporations affiliated with public utilities regulated by the Commission, including parent corporations and their affiliates. (G.S. 62-51)

c. *Furnish False Information to the Utilities Commission; Failure to Furnish Information to Commission.* Action by legislature declaring it a misdemeanor for utilities under the jurisdiction of the Commission to furnish false information or for failure to furnish information on report forms furnished by the Commission. (G.S. 62-326)

d. *Radio Common Carriers.* Commission authority extended to grant Certificates of Public Convenience and Necessity to radio common carriers in areas where the landline telephone company has heretofore protested certificates of radio common carriers. (G.S. 62-120)

1971—The following amendments to the General Statutes 62, known as the Public Utilities Act, were approved by the General Assembly in the current year:

a. The Executive Organization Act of 1971 created the N.C. Department of Commerce, (143A-174). The North Carolina Utilities

Commission was transferred to the Department of Commerce. (G.S. 62-10)

b. *Safety Standards for Interstate and Intrastate Natural Gas Pipelines.* Authorization by the General Court of Justices of North Carolina to issue court orders, restraining orders, injunctions and other processes of the court in actions by the Utilities Commission to enforce the provisions of gas pipeline safety, and authorizing the Commission to bring such action as may be necessary for compliance. (G.S. 62-50)

c. *How Rates Fixed—Natural Gas Distribution Companies.* Utilities Commission given permission to permit gas companies to increase their rates to customers to the extent that such increases are occasioned by increases in the wholesale rates paid by the utilities. This increase could be allowed without a general rate case hearing. (G.S. 62-133)

d. *Change in definition of "Public Utility."* Prior to 1971, those persons or companies selling water to less than 25 residential customers were, by statute, exempt from Utilities regulation. 1971 legislation modified the definition of a public utility to include anyone furnishing water to 10 or more residential customers. (G.S. 62-3)

1973—The following amendment to the General Statutes 62, known as the Public Utilities Act, were approved by the General Assembly in the current year:

a. Change in definition of "public utility." Town of Pineville, N.C., included insofar as town supplies telephone service to the public for compensation. This includes town limits as of May 8, 1973, and shall also include area proposed to be annexed, until January 1, 1975. Utility Commission has no authority in respect to rates or charges for service until July 1, 1974. (G.S. 62-3 (23) f)

Related Statute - Electrical Service in Urban Areas. **Authority and Jurisdiction of Utilities Commission** G.S. 160-A-334 rewritten as follows:

If N.C. Utilities Commission finds that service being furnished to consumer by a secondary supplier to be inadequate or undependable, or that rates are unreasonably discriminatory, the Commission shall have the authority and jurisdiction after notice to each affected electrical supplier, and after hearing, if hearing is requested, to:

Order a primary supplier that is subject to the jurisdiction of the Commission to furnish electric service to any consumer who desires service from the primary supplier at any premises served by a secondary supplier, and to order such secondary supplier to cease and desist from furnishing electric service.

1974—The following selected Legislative Bills of significance to the operations of the utilities, the utilities ratepayers, and the Commission itself were passed by the General Assembly in the 2nd Session (1974) of the 1973 Session and along with other utility bills not listed here are included in General Statutes 62, known as the Public Utilities Act:

a. *How Rates Fixed - Small Water and Sewer Utilities.* The Commission may now fix such rates on the ratio of the operating expenses to the operating revenues such ratio to be determined by the Commission, unless the utility requests that such rates be fixed under G.S. 62-133 (b). Previously only motor carrier rates were determined in relation to an operating ratio. (G.S. 62-133.1 (a))

A water or sewer utility may enter into uniform contracts with non-users of its utility service within a specific subdivision or development for the payment by such nonusers to the utility of a fee or charge for placing or maintaining lines or other facilities or, otherwise, making and keeping such utility's service available to such nonusers which in effect is an availability charge. (G.S. 62-133.1 (b))

b. *Future Test Period Authorized.* Authority given to the Commission, in its discretion, to use a current as well as a past test period in establishing public utility rates. This change gave the Commission authority to use a 12-month future test period for setting rates which required the extensive use of estimated and forecasted operating data in addition to actual historical data. (G.S. 62-133(c)) (The General Assembly, during the 1975 Session, amended G.S. 62-133(c) by rewriting the second sentence of Subsection (c) and in effect restoring the test period used in general rate cases to 12 months historical operating expenses prior to the date the proposed rates are to become effective.)

c. *Less than the Full Commission May Hear Small Utility Rates Cases* — In matters where total annual revenue requested or where total annual revenues increase requested is less than $50,000 even though all rates are affected, the Chairman of the Commission may refer the matter to a division of the Commission, to a Hearing Commissioner, or to a Hearing Examiner for hearing. Previously, the full Commission was required to hear all general rate cases. (G.S. 62-81) *Increased to $100,000 by 1977 legislative amendment. Increased to $300,000 by 1981 legislative amendment.

1975—Major legislation affecting the regulation of utilities:

a. *Definition of the term "Panel."* Panel as used herein means three Commissioners, a division of the Utilities Commission authorized for the purpose of carrying out certain functions of the Commission. (G.S. 62-3)

b. *Increase in the number of Commissioners from five (5) to seven (7).* All Commissioners henceforth are to be appointed by the Governor subject to confirmation by the General Assembly in joint session. (G.S. 62-10)

c. *Initiation of Management Audits.* Management Audits may be initiated by the Commission of any public utility company once every five years by a competent, qualified and independent firm with the cost of such audit to be borne by the particular public utility subject to the audit. (G.S. 62-37 (b))

d. *Procedure before the Commission.* The Commission shall sit in panels of three unless the Chairman, by Order, shall set the proceeding for hearing by the Full Commission. (G.S. 62-60.1)

e. *Long Range Forecast.* The Commission is required to develop, publicize and keep current an analysis of the long-range needs for expansion of facilities for the generation of electricity in North Carolina, including its estimates of the probable future growth of the use of electricity, the probable needed generating reserve, the extent, size, mix and general location of generating plants and arrangements for pooling power to the extent not regulated by the Federal Power Commission. (G.S. 62-110.1 (c, d, e, f))

f. *Rate Changes due Solely to Changes in Cost of Fuel.* Effective on and after September 1, 1975, application by any public utility for permission and authority to increase its rates and charges based solely upon the increased cost of fuel used in generation or production of electric power must be suspended for a period not to exceed ninety (90) days. A hearing on the merits of the application must be held within thirty (30) days of the date of the filing with an Order responsive to the application being issued not later than ninety (90) days from the filing Date. A rate decrease due solely to a decrease in the cost of fuel, upon motion of the Commission or application of any person having an interest in said rate, shall be set for hearing. Any person directly interested in these proceedings shall have a full right of intervention. These types of proceedings shall not be considered a general rate case. To implement this new legislative act the Commission adopted a new Rule, R1-36 which prescribes the information and exhibits required to be filed with the application. (G.S. 62-134 (e) and (f))

1977—Major legislation affecting the regulation of utilities:

a. *Creation of the Office of Executive Director and Public Staff to Represent the Using and Consuming Public.* The Commission personnel was divided into a Commission Staff and a Public Staff. The Office of Executive Director was established to direct the Public Staff. The Executive Director shall be appointed by the Governor subject to confirmation by the General Assembly in joint session. The term of the Executive Director shall be six years and the salary the same as that fixed for Commissioners. The Executive Director may be removed from office by the Governor in the event of his incapacity to serve; and the Executive Director may be removed from office by the Governor upon the affirmative recommendation of a majority of the Commission, concurred in by a majority of the Utility Review Committee of the General Assembly. The Public Staff shall not be subject to the supervision, direction, or control of the Commission, the Chairman, or members of the Commission.

The Public Staff has the duty and responsibility to review, investigate, intervene and make recommendations to the Commission relating to practically all matters affecting the using and consuming public and especially in the following areas: rates charged for services, level and quality of service rendered, issuance or cancellation of certificates for service and service areas, complaints of consumers, transfers, mergers or consolidation of utilities providing services to the public, contracts of public utilities with and between affiliates or subsidiaries and the issuance of securities or other financial matters affecting the utilities. The Public Staff has no duty, responsibility or authority with respect to the enforcement of natural gas pipeline safety laws, rules or regulations or to the laws, rules or regulations of common, contract and exempt carriers relating to their equipment, the registration of their vehicles, insurance coverage, licensing or training of drivers or the operation of motor vehicle equipment. (For complete detail of duties of Public Staff, see G.S. 62-15 (a) thru (i).)

b. *Gifts to Members of Commission, Commission employees, or Public Staff unlawful.* — Utilities may not offer nor may any member of the Commission, Commission Staff, or Public Staff accept any gift of money, property, or anything of value

from the utilities. One violating this rule is guilty of a misdemeanor and may be fined and subject to dismissal for cause. A member of the Commission, Commission Staff or Public Staff may attend public breakfasts, lunches, dinners, or banquets sponsored by the regulated utilities. (G.S. 62-327)

c. *Public Staff Provision Renewable After Four Years.* — Unless the General Assembly shall otherwise direct, effective August 31, 1981, the Office of Executive Director and the Public Staff of the Commission shall terminate and the positions assigned to the Public Staff shall be assigned to the Commission. (Session Laws 1977, c 468, s. 23)

d. *Lifeline Rate Study.* — Resolution No. 63 urging the Utilities Commission to investigate and study Lifeline Rates for Consumers of electricity and natural gas was ratified by the General Assembly on June 14, 1977. Because of rapidly rising rates for electric and natural gas service and the great hardship the higher rates were causing many elderly and low income persons in the State, the Commission was urged to study and consider whether it is just and reasonable to establish a category of lifeline rates for essential levels of use by residential customers to provide lighting, cooking and refrigeration in their primary place of residency.

e. *Use of Original Cost plus Construction Work in Progress (CWIP) of public utilities property for ratemaking purposes to be effective with respect to rate applications filed on and after July 1, 1979.* — Effective with rate applications filed on and after July 1, 1979, the Commission must use as the rate base for fixing rates of electric, gas, telephone and water and/or sewer utilities (unless the operating ratio is used for water and sewer companies) the reasonable original cost, less depreciation plus the reasonable original cost of construction work in progress (CWIP) of the public utility's property. This method replaces the currently used Fair Value formula (which excludes the value of CWIP) in determining the rate base for the fixing of rates. In conjunction with the enactment of the above amendment to G.S. 62-133 entitled "How rates fixed" the General Assembly also amended G.S. 62-2 entitled "Declaration of policy" by adding a new subsection (5) which reads as follows:

"(5) Require each public utility to discontinue capitalization of the composite carrying cost of capital funds used to finance construction (allowance for funds) on the construction work in progress included in its rate base upon the effective date of the first and each subsequent general rate order issued with respect to it after the effective date of this subsection; allowance for funds may be capitalized with respect to expenditures for construction work in progress not included in the utility's property upon which the rates were fixed. In determining net operating income for return, the Commission shall not include any capitalized allowance for funds used during construction on the construction work in progress included in the utility's rate base."

(See Session Laws 1977, c. 691, ss. 2 & 3 for details of amendments to G.S. 62-133.)

f. *Constitutional Amendment (Article V) to allow municipalities to Issue Revenue Bonds to Finance the Cost of Electric Generation and Transmission Facilities.* — This related legislation authorizing municipalities owning or operating electric systems and joint agencies composed of such municipalities to jointly or severally own, operate and maintain an electric system and to use revenue bonds to finance the cost thereof, subject to the approval of the electorate directly affects the regulated electric companies of North Carolina. Duke Power Co. has already agreed to sell a portion of its nuclear generating capacity to nineteen (19) North Carolina towns and cities which are members of the North Carolina Municipal Power Agency No. 1. (See Session Laws 1977, c. 528, sections 1 thru 6 for details of Constitutional Amendment.)

g. *Uniform and Joint Rates Among Carriers of the Same Class Authorized.* — Historically, tariff bureaus have been formed by common carriers for the purpose of establishing and publishing joint rates in order to achieve a stable rate structure. The enactment of Chapter 219 empowered the Commission to regulate and permit tariff bureaus to publish joint rates. (G.S. 62-152.1 and Commission Rule R4-12 set forth the Commission's requirement of a rate bureau in order for it to publish joint rates with this Commission.)

1979 & 1980 — Major legislation affecting the regulation of utilities:

a. *Office of Executive Director and the Public Staff made Permanent on April 10, 1979.* These positions otherwise would have been terminated on August 31, 1981. (Session Laws 1979, c 332, 3.1)

b. *Gas Pipeline Safety Standards Authority Expanded.* The Utilities Commission authority is expanded over natural gas pipeline safety standards to cover public housing authorities and apartment complexes or mobile home parks that distribute or submeter gas to their tenants. It also restates the Commission's existing authority over pipeline safety standards of interstate and intrastate gas utilities and pipeline carriers under franchise, as well as municipally owned distributors, without apparently changing the substance of this authority. (Session Laws 1979 c 269, G.S. 62-50)

c. *Ex-parte Communications.* The act was amended which forbids any nonwritten communication by a public utility or public staff member to a Commission member or hearing examiner relating to the level of rates to be charged by deleting the words "with regard to matters affecting the rates charged or proposed to be charged" and inserting in lieu thereof the words "regarding the level of rates specifically proposed to be charged." Article IV, G.S. 62-70(g) (Session Laws 1979, c 332, S.2.)

d. *Encouragement of Co-generation of Electricity.* Co-generation of electricity was encouraged by exempting from regulation persons who are constructing or operating an electric generating unit primarily for their own use and not for the primary purpose of producing electricity, heat, or steam for sale to or for the public for compensation. However, such persons must report to the Utilities Commission the proposed construction of such a facility before construction begins. (G.S. 62-110.1(g))

e. *Power Sales by Small Power Producers.* In the event that a small power producer and an electric utility are unable to mutually agree to a contract for the sale of electricity or to a price for the electricity purchased by the electric utility the Commission shall require the utility to purchase the power, under rates and terms established under G.S. 62-156. (See Session Laws 1979, 2nd Session, 1980, c 1219, S.2.)

f. *Security Provisions Relating to Access to Nuclear Power Facilities and/or Control over Nuclear Material.* The Chief Personnel Officer or his designee of any public utility franchised to do business in North Carolina shall be permitted to obtain from the State Bureau of Investigation a confidential copy of criminal history record information for screening an applicant for employment with or an employee of a utility or utility contractor where the employment or job to be performed falls within a class or category of positions certified by the North Carolina Utilities Commission as permitting or requiring access to nuclear power facilities or access to or control over nuclear material. (G.S. 62-333) (See Session Laws 1979, c 796.)

g. *Motor Carriers Providing "Charter Party" Services for Senior Citizens Exempt from Regulation.* Motor passenger carriers engaged in "Charter Party" service for senior citizens (60) years or older are exempt from Commission regulation except for subsections (f) and (g) of Article 12 G.S. 62-260. These sections deal with security, safety and registration regulations of motor passenger carriers and their vehicles. (G.S. 62-260 a(18)) (See Session Laws 1979, c 204.)

1981—Major Legislation Affecting the Regulation of Utilities:

a. *Rate-setting Hearings Nonmandatory When There Is No Significant Public Protest and All Parties Are in Agreement.* When there is no significant public protest received within 30 days of the publication of notice of a proposed rate change for a water or sewer utility, the Commission may decide the proceeding based on the record without a trial or hearing, provided said utility and all other parties of record have waived their right to any such hearing. (G.S. 62-81(f)) (HB 530)

b. *Commission Authorized to Decide the Level of Interest to Add to Customer Refunds.* The Commission under the amended law can decide the level of interest rate public utilities must pay on refunds of moneys to its customers which were advanced by or overcollected from its customers. Under the amended law the rate cannot exceed ten percent (10%) per annum, previously the only rate was six percent (6%) per annum. (G.S. 62-130(e) and G.S. 62-135c) (HB 531)

c. *The Utility Company Shall Be the Source of Funds for the Public Staff to Employ Outside Assistance in Commission Proceedings.* The Executive Director of the Public Staff is authorized to employ, subject to the approval of the State Budget Officer, expert witnesses and such other professional expertise as deemed necessary to assist the Public Staff in its participation in Commission proceedings, and the compensation and expenses therefor shall be paid by the utility or utilities participating in said proceedings. Before this enactment, the funds for this type service came from the regular appropriated Public Staff budget or from the State Contingency and Emergency Fund. (G.S. 15(h)) (HB 529)

d. *Employment of Temporary Court Reporters With Costs to Be Borne by Individual Utility or Utilities.* The Commission is authorized to contract with or employ on a temporary basis, when deemed necessary by the Chairman of the Commission, court reporters in addition to those employed on a full-time basis by the Commission for the purpose of recording and transcribing testimony given at hearings before the Commission involving any Class A & B utility. The costs for these court reporters are to be charged directly to the involved utility or utilities. (G.S. 62-7(d)) (SB 639)

1982—Major Legislation Affecting the Regulation of Utilities (1982 Short Session)

Changes in Method and Times Per Year the Fuel Clause Adjustment May be Considered and the Treatment of Construction Work in Progress (CWIP) for Rate-making Purposes. Chapter 62 of the General Statutes is amended by adding a new section, G.S. 62-133.2 (HB 1594). This new section provides that the Commission shall conduct only one hearing for each electric utility within 12 months of the last general rate case for the purpose of determining whether an increment or decrement rider is required to reflect actual changes in the cost of fuel and the fuel cost component of purchased power over or under base rates established in the last preceding general rate case. The amended law also provides that the Commission shall allow only that portion, if any, of a requested fuel adjustment that is based on adjusted and reasonable fuel expenses prudently incurred under efficient management and economic operations. Before enactment of this amendment, there were fuel costs adjustment proceedings three times a year; and the Commission had been barred by court decisions from reducing fuel charges because of inefficient management or poor plant performance. The old fuel adjustment procedure in G.S. 62-134(e) is repealed.

CWIP changes for rate-making purposes were implemented by the legislature by changing words in the second sentence of G.S. 62-133(b)(1) from "shall be included" to "may be included, to the extent the Commission considers such inclusion in the public interest and necessary to the financial stability of the utility in question."

Prior to this change (since July 1, 1979) in the wording of G.S. 62-133(b)(1), the Commission had been required to include in the rate base for rate-making purposes the reasonable original cost of CWIP which had the effect of allowing the utilities to recover through rates the costs of obtaining money to build new facilities. The new law gives the Commission discretionary authority on whether to include CWIP costs in rates. The new law was effective June 17, 1982, the date of ratification.

1983—Major Legislation Affecting the Regulation of Utilities

Amendments to Appeal Procedures

Chapter 526, House Bill 493 is an act to implement the Constitutional amendment regarding appeal of Utility Commission orders. G.S. 7A-29 is amended to show appeals in a general rate case from decisions of the Utilities Commission, now go directly to the Supreme Court. In the past, according to G.S. 7A-29, the appeal shall lie to the Court of Appeals.

Chapter 572, House Bill 513, is an act to clarify the filing of a notice of appeal in all appeals taken from decisions of the Utilities Commission. G.S. 62-90(a) is rewritten to include that any party to a proceeding before the Commission may appeal any final decision of the Commission within 30 days, if they file with the Commission a notice of appeal and set forth the grounds which they believe to be unjust or unreasonable. All other parties may give notice of cross appeal, if they explain the grounds which they believe to be unjust or unreasonable, within 20 days after the first notice of appeal.

Compensation for Outside Counsel--Certain Natural Gas Litigation

Sec. 132. Compensation for outside legal fees in excess of twenty-five thousand dollars (25,000) per year incurred by the North Carolina Utilities Commission on behalf of the using and consuming public in conjunction with natural gas litigation brought before federal courts and agencies shall be paid from refunds received from the Transcontinental Gas Pipeline Company rather than from the Contingency and Emergency Fund, provided that the agreement must be approved by the State Budget Office.

Transfer of Motor Carrier Safety Regulation to DMV

Sec. 137. The safety regulation of all motor carrier transportation services is transferred from the Utilities Commission, Department of Commerce, to the Division of Motor Vehicles, Department of Transportation. This transfer shall be a "type I transfer" as identified in G. S. 143A-6. The regulation of rates and market entry for motor carrier transportation services shall remain vested in the Utilities Commission. The agencies of State government affected by this transfer shall report to the 1984 Session of the General Assembly about any changes in the General Statutes required by this transfer.

FIGURE NO. 1-3

NORTH CAROLINA UTILITIES COMMISSION
SUMMARY OF THE SOURCES AND EXPENDITURES
FISCAL YEARS ENDED JUNE 30, 1982 AND 1983

	June 30, 1982[1]			June 30, 1983[1]		
	Commission Staff	Public Staff	Total N.C. Utilities	Commission Staff	Public Staff	Total N.C. Utilities
Sources						
General Fund Appropriation	$1,038,228	$2,193,738	$3,231,966	$1,380,597	$2,289,002	$3,669,599
Other Receipts:						
State Highway Commission	599,382	—0—	599,382	641,736	—0—	641,736
Fees Collected	467,849	168,974	636,823	318,928	168,974	487,902
Misc. Fees & Sales of Equipment	181,090	7,209	188,299	142,524	1,838	144,362
U.S. Dept. of Energy	36,811	—0—	36,811	—0—	1,177	1,177
U.S. Gas Safety Program	104,623	—0—	104,623	77,372	—0—	77,372
Rail Safety	63,989	—0—	63,989	42,105	—0—	42,105
National Science Foundation	—0—	—0—	—0—	597	—0—	597
Transfer — Prior Years	21,036	16,577	37,613	20,588	—0—	20,588
	$2,513,008	$2,386,498	$4,899,506	$2,624,447	$2,460,991	$5,085,438
Expenditures						
Payroll & Related Items	$2,027,128	$2,218,770	$4,245,898	$2,134,085	$2,315,940	$4,450,025
Legal & Consulting Fees	116,785	16,695	133,480	71,404	—0—	71,404
Contracted Services	36,811	—0—	36,811	37,853	1,177	39,030
Materials & Supplies	13,912	4,694	18,606	9,368	6,274	15,642
Travel	103,595	47,205	150,800	151,902	50,629	202,531
Postage, Telephone, Printing	84,855	38,343	123,198	91,282	36,146	127,428
Photocopying	36,726	21,486	58,212	23,182	14,307	37,489
Data Processing Service	29,420	15,965	45,385	63,667	27,840	91,507
Data Processing Equipment	10,568	—0—	10,568	5,180	—0—	5,180
Employee Educational Expense	574	1,135	1,709	351	160	511
General Expense[2]	18,850	5,769	24,619	22,619	7,397	30,016
Repairs of Building & Equipment	5,658	283	5,941	1,867	289	2,156
Insurance & Bonding	1,441	—0—	1,441	173	—0—	173
Office Furniture, Equipment, Books	26,685	16,153	42,838	11,514	832	12,346
	$2,513,008	$2,386,498	$4,899,506	$2,624,447	$2,460,991	$5,085,438
Number of Funded Positions	81	86	167	56[3]	80	135

[1] The 1977 N.C. General Assembly amended General Statute 62 to provide for a Public Staff in the Utilities Commission to represent the using and consuming public. Effective July 1, 1977, the Commission was completely restructured into two staffs, creating a budget for each staff.

[2] Includes rent of office space and equipment, dues and subscriptions, and other service and expense classed as miscellaneous.

[3] As of September 1, 1983, twenty-five (25) positions were transferred to the Department of Motor Vehicles to continue to administer the registration and insurance functions relating to the regulated motor passenger and motor freight carriers of North Carolina.

II. Selected Commission Activities July 1982 through December 1983

A. GENERAL

1. Public Involvement

The Commission has continued its emphasis on improving its public image and making its activities open for participation by the using and consuming public and other interested parties. The table below shows the number of formal hearings for which a portion of the hearings were held in service areas of the utilities involved; many of these hearings were held at night.

	Fiscal Years Ended June 30th					
	1977	1978	1979	1980	1981	1982
Total Formal Hearings Held	262	225	269	211	271	186
Number of Hearings Held Away from Raleigh in Utility Service Areas	40	42	63	72	58	72
Percent of Total Hearings Held Away from Raleigh	15%	19%	23%	34%	21%	38%

The primary reason for holding hearings in the service areas of the utilities involved in the hearings is to make it easier for the local consumers and general public to attend and to offer testimony if they so choose. Attendance at such hearings provides a broader knowledge of the scope and complexities of issues with which the Commission, the Public Staff, and all other participants must deal.

Advance public notice is given for all hearings of general interest and especially rate case hearings. Also, news releases are made of important Commission decisions and activities. All Commission weekly (Monday mornings generally) conferences where issues before the Commission are acted on, are open to the public as a spectator or participant.

B. ELECTRIC

1. Load Forecast—N.C. Electricity Needs (1982-1997)

On March 23, 1983, the Commission released its annual forecast of electricity growth rates. The probable annual growth rate in peak demand for the period 1982-1997, taking into account conservation measures and load management as they appear likely, are:

1982-1997 Company	% Annual Growth Ranges Peak Demand
CP&L	1.9%-3.4%
Duke	1.4%-3.5%
Vepco	2.5%-3.0%

The forecast found that the appropriate generating reserve capacity for all three companies should continue to be about 20%. (Commission Order containing forecast data is designated Docket No. E-100, Sub 46).

The Commission has found in earlier dockets, including the previous load forecast docket, that the most economical method of electric generation for Duke, CP&L, and Vepco is a combination of hydroelectric generation, coal-fired and nuclear-fueled steam generation. Therefore, the Commission recognizes the need for base load nuclear and coal-fired power plants and centralized hydroelectric peaking plants in North Carolina during the planning period of the forecast. The Commission also recognizes, however, that conservation, load management, and the development of alternative energy sources will play an increasingly larger role during the latter years of this century. The current load forecast of the Commission is based in large part on the premise that conservation and load management efforts are not a temporary phenomenon but represent permanent changes in the attitude of society toward the use of energy. In 1980 the Commission authorized the establishment and funding of a North Carolina Alternative Energy Corporation in order to develop more efficient uses of energy resources.

2. The Alternative Energy Corporation

CREATION AND STRUCTURE

The State of North Carolina responded to its own particular energy challenge by establishing the North Carolina Alternative Energy Corporation (AEC) to identify, adapt, and promote alternative energy technologies and systems suited to North Carolina requirements. The AEC was established by the North Carolina Utilities Commission in 1980 after a series of public hearings that explored the state's energy situation. The Commission concluded that a statewide organization was needed to concentrate on solving electricity-related energy problems. The Commission structured the AEC as a quasi-public, nonprofit, private corporation and secured financial support for the Corporation from both regulated and nonregulated electric suppliers in North Carolina.

The AEC is specifically charged with (1) finding and implementing alternative energy systems which can moderate the growth of electric demand in North Carolina and (2) working to shift peak demands for electric power in a cost-effective manner. To accomplish this, the AEC is actively working on both electrical demand reduction systems and alternate energy supply systems.

AEC efforts are divided into industry, buildings, utilities, communities, and agriculture programs.

During 1982 and 1983, the AEC has helped industries and local governments with the refinement of computer models for estimating technical and economic feasibility of cogeneration installations and the exploration of the legal and financial issues involved in public/private joint-venture financing of cogeneration systems at government facilities. The North Carolina textiles industry accounts for nearly half of the industrial electricity consumed in the state. Reducing energy consumption by one percent could save more than $2.5 million annually. To help the textiles industry achieve these savings, the AEC is pursuing a 2-year project: to develop and refine computer models to be used to calculate energy use and costs for the production of textile products. Energy consumption standards for individual machines, production departments, and entire plants

will help companies to produce textiles at minimum energy costs. Also, the AEC and the Energy Division of the North Carolina Department of Commerce sponsored the Governor's Showcase of Solar Homes. More than 23,000 North Carolinians saw how solar energy is helping their neighbors. The homes were chosen for appearance, accessibility, and the cost-effectiveness of the solar and energy conservation measures employed. Ranch-style homes were in the majority, with colonial and contemporary approaches included as well. Owner or builder knowledge helped visitors to learn and understand first-hand about energy system performance results.

The AEC is governed by a Board of Directors composed of both public and utility representatives. The six utility organizations which provide funding for the AEC each appoint a director. These directors represent the state's found investor-owned generation/transmission/distribution utilities (Carolina Power & Light Co., Duke Power Company, Nantahala Power and Light Company, and Virginia Electric & Power Co.), the association of electric cooperatives (North Carolina Electric Membership Corporation), and the association of municipal electric systems (ElectriCities).

The Governor of North Carolina appoints the remaining seven directors, one of whom must be the Chairman of the Board. This framework brings individuals representing widely different interest and perspectives together to work toward the common goals of maximum energy efficiency and minimum energy costs.

The six utility organizations contribute to the AEC in proportion to their kilowatt-hour sales. The AEC operates with an annual budget of approximately $2.2 million which is further supplemented by funds from outside sources where jointly funded projects are attractive.

The AEC structure combines the flexibility and quick response of a private corporation with the public accountability inherent in a quasi-public organization. As such it encourages high levels of cooperation among all major producers of energy within North Carolina. Corporate flexibility allows projects to be implemented that precisely address important issues in order to accelerate widespread application of alternative energy technologies and techniques.

OBJECTIVES

Valuable improvements in energy use have already been made in North Carolina. Utilities, industries, private citizens, and government have all begun to respond to higher energy prices, to the possible consequences of disrupted energy supplies, and to new technologies and techniques. The AEC is building on the progress made and helping to focus state efforts toward areas of maximum effective impact in the near future. In order to produce the greatest benefit from limited financial and personnel resources, the AEC does not fund work that is too long term, too risky in realizing its outcomes, or too restricted in its usefulness. Projects in which AEC participation would be too small to have any noticeable influence on final results are also unattractive to the Corporation. Instead the AEC concentrates its efforts on applied research to complete the development and market adoption of alternative energy technologies which will begin to be used in the near term and which will result in significant long-term benefit to electric ratepayers.

In this context there are six important objectives for the AEC. The first recognizes the importance of promoting a broad understanding that alternative energy systems are credible methods of providing the energy services that we require. The remaining objectives are derived from this basic premise. The second objective addresses the need to increase the energy efficiency of local and state government operations. The third objective recognizes the important role that industrial cogeneration can play in providing economical electric energy and capacity. Encouraging effective energy investment throughout the residential sector is another objective. The unique nature of the AEC as a focus for projects of common interest and usefulness to the utilities of the state provides the vehicle for carefully designed assistance to help utilities enhance the effectiveness of their own programs in conservation, load management, and alternative technologies. The final Corporation objective is to alter the state promptly to the potential contributions from new energy technologies, systems, and techniques.

3. CWIP—Mandatory Inclusion in Rate Base Rescinded by the Legislature

On June 17, 1982, in a called short session, the North Carolina General Assembly enacted into law language changes in G.S. 62-133(b)(1) that had the effect of rescinding the mandatory inclusion in the rate base of Construction Work in Progress (CWIP) for rate-making purposes. The change in the statute from "shall be included" to "may be included" gives the Commission discretionary powers on this matter. The mandatory inclusion had been in effect since July 1, 1979, and had provided millions of additional dollars for the utilities. Because of the large construction programs, additional revenues required to support the allowed rate of return on the CWIP portion of investment in the most recent general rate cases amounted to approximately $123 million for CP&L, $67 million for Duke and $4 million for Vepco. The real impact of this change in the treatment of CWIP on the consumers and on the ability to raise capital by the utilities depends to a large degree on the extent to which the Commission continues to allow all or a portion of CWIP in the ratemaking process.

4. Fuel Costs—Procedures Changed

The Legislature on June 17, 1982, amended G.S. 62-133 by adding a new section 133.2 that changed the number of times per year the Commission would consider changes in rates due to changes in fuel costs from three times to only one time for each utility within 12 months of the last general rate case. Only one adjustment on an annual basis will be considered if no general rate case has been held in the past 12 months' period. Also, this new legislation permits the

Commission to consider the efficiency of management and economic operations of the utility when determining the amount of the increase or decrease to allow in the fuel cost adjustment.

C. CONSUMER POCKETBOOK ISSUES

1. General Rate Case Decisions 1970-1983

A summary of the Commission decisions in general rate cases for the 14-year period from 1970 through December 1983 for the electric, gas, and telephone groups shows that 60.2% of the amount requested has been granted. Broken down by groups, the amounts granted were electric, 62.9%; gas, 62.2%; and telephone, 53.2%. (See Figure 2-1 for yearly totals.)

During the most current three-year period of 1981 through December 1983, the percentage granted for each group was less than for the previous 11 years of 1970 through December 1980; but in each group, the amount requested during the most recent three-year period was greater than that requested during the entire previous 11 years. For the same time frame, the amounts granted during the current three years were less for the electric and gas groups but greater for the telephone group. Overall, there was only about 9% less revenue granted during the current three years when compared to the previous 11-year period. The following table shows the progression of compressing similar amounts of revenue requests into a substantially shorter period of time.

Period	Group	Requested ('000's)	Granted ('000's)	% Granted
1970 - 1980	Electric	$1,004,343	$ 731,261	72.9
	Gas	54,512	36,633	67.2
	Telephone	323,746	173,099	53.4
Sub Total		$1,382,595	$ 940,993	68.1
1981 - 1983	Electric	$1,059,894	$ 566,315	53.4
	Gas	56,231	32,282	57.4
	Telephone	484,182	256,468	53.0
Sub Total		$1,600,307	$ 855,065	53.7
1970 - 1983	Electric	$2,064,237	$1,297,576	62.9
	Gas	110,743	68,915	62.2
	Telephone	807,922	429,567	53.2
Grand Totals		$2,982,902	$1,796,058	60.2

Many factors such as interest rates, quality of service, cost of fuel, availability of gas supplies, future demands for utility service, and utility managerial efficiency contribute to the final decisions reached by Commissioners in general rate case decisions. All of these factors are thoroughly investigated and evaluated by the Public Staff of the Commission for each rate case and then presented to the Commission for consideration as to treatment in the case. Some facts, however, lie beyond the control of the Commission and can account for even larger increases than the rate cases themselves. Cost of gas to the gas company from the State's only supplier, Transcontinental Gas Pipeline Corporation (TRANSCO) requires an adjustment to consumers' gas rates, but this adjustment is made through a staff conference rather than through a general rate case. Fuel consumed for the generation of electricity was adjusted at intervals through regular open conference until June 17, 1982, when the procedure was changed to include fuel cost adjustments in general rate cases or through a formal hearing within 12 months of the last general rate case. For both gas companies and electric companies, the price, or cost adjustment to the ultimate consumer, is not necessarily the result of just general rate cases and, in fact, these cost adjustments can have as much or an even greater effect on the cost of services to the ultimate consumer than any other aspect of the industry.

2. N.C. Utility Rates v. Consumer Price Index (CPI)

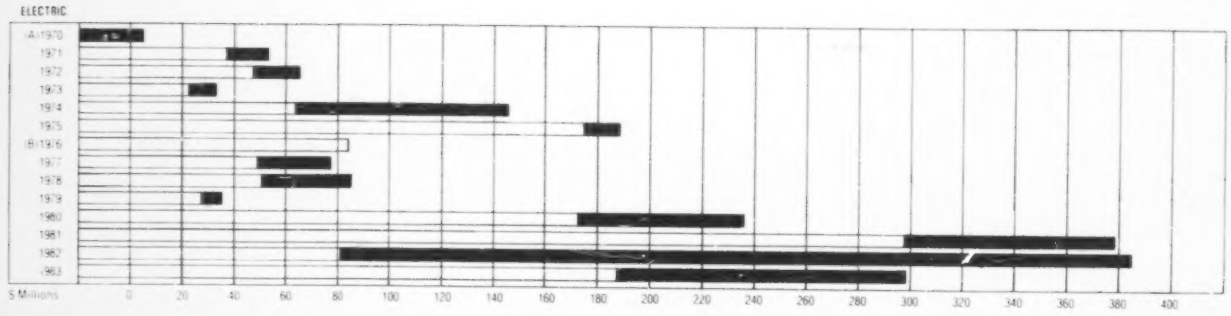
The decade of the 1970s and the early 1980s was clearly not the most benevolent to the North Carolina user of electricity, natural gas, or telephone service. From 1970 to 1980 consumer bills have increased by 152.4% per kWh of residential electricity, 209.1% per dekatherm for residential natural gas, and 95.0% for local calling service for all telephone customers. During the 70s decade, only local telephone service remained below the charge in the consumer price index (CPI) of 112.2%. From 1980 through 1983 local telephone service joined residential electric and gas rates to exceed the CPI by 5%. Residential electric rates exceeded the CPI by 22%, and residential gas rates exceeded the CPI by 38.4%. However, more currently the residential bills for electric customers and local service charges for all telephone customers are coming more into line with the CPI. From 1982 to 1983 residential electric rates increased only 5.3%, and local telephone service charges increased only 3.6%. This compares favorably with the rapidly decreasing CPI rate of 3.2% for the same time. Natural gas rates, however, increased 16.3% from 1982 to 1983. The following table shows the electric, gas, and telephone utility costs compared to the CPI for various time periods during the 1970s and the first three years of the 1980s.

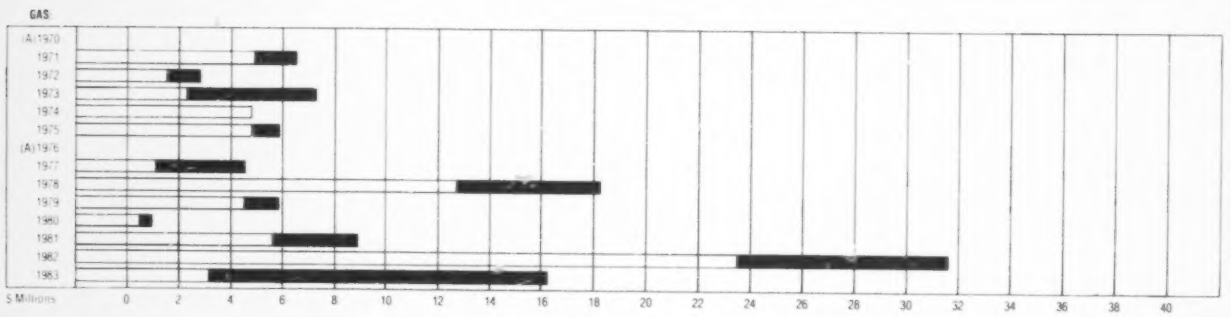
Year Ended December 31	Average Residential Electric Rates per kWh (¢)	Average Residential Gas Rates Per Dekatherm ($)	Average Monthly Telephone Bill For Local Service (All Customers) ($)	Consumer Price Index All Urban Consumers
1970	1.70¢	$1.32	$10.27	116.3
1975	3.09¢	$1.99	$14.88	161.2
1980	4.29¢	$4.08	$20.03	246.8
1970-80 % change	152.4%	209.1%	95.0%	112.2%
1982	5.82¢	$5.59	$24.20	289.1
1983	6.13¢	$6.50	$25.06*	298.4
1982-1983 % change	5.3%	16.3%	3.6%	3.2%

*Charge per access line

FIGURE NO. 2-1

ELECTRIC, GAS, & TELEPHONE GENERAL RATE CASE DATA
AMOUNTS REQUESTED & GRANTED
FOR CALENDAR YEARS 1970-1983
($ Millions)





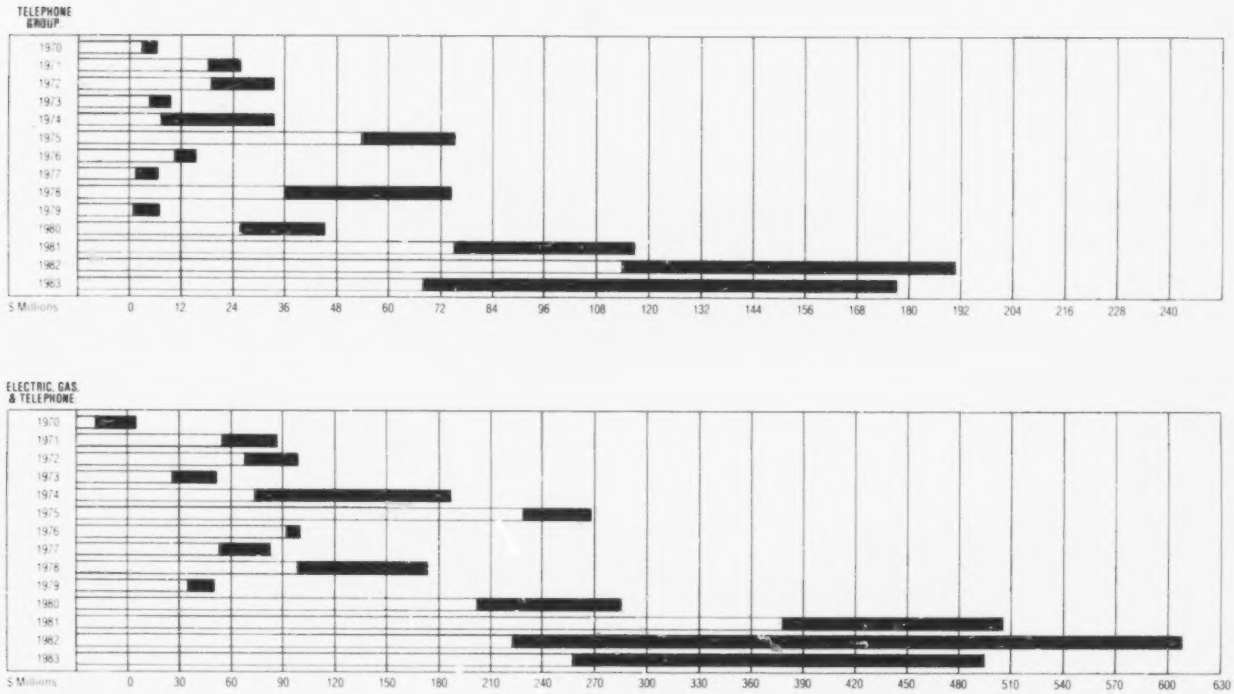
Legends: Granted Requested A — None Granted B — Request Granted in Full

$ Millions

Electric Group	Requested	Granted	% Granted	Gas Group	Requested	Granted	% Granted
1970	$ 1.280	$ —0—	—	1970	$ —	$ —	—
1971	56.533	39.045	69.1	1971	6.414	4.955	77.3
1972	63.728	48.120	75.5	1972	277	175	63.2
1973	32.555	22.769	69.9	1973	7.220	2.264	31.4
1974	144.793	61.439	42.4	1974	4.806	4.806	100.0
1975	186.871	175.255	93.8	1975	5.952	4.817	80.9
1976	82.656	82.656	100.0	1976	—	—	—
1977	77.711	49.615	63.8	1977	4.451	1.514	34.0
1978	83.996	51.423	61.2	1978	18.124	12.533	69.2
1979	35.511	28.314	79.7	1979	5.984	4.353	72.7
1980	238.709	172.625	72.3	1980	1.284	1.216	94.7
Sub Total	$1,004.343	$ 731.261	72.9	Sub Total	$ 54.512	$ 36.633	67.2
1981	$ 379.813	$ 299.200	78.8	1981	$ 8.801	$ 5.610	63.7
1982	382.009	80.244	21.0	1982	31.397	23.615	75.2
1983	298.072	186.871	62.7	1983	16.033	3.057	19.1
Sub Total	$1,059.894	$ 566.315	53.4	Sub Total	$ 56.231	$ 32.282	57.4
GRAND TOTAL	$2,064.237	$1,297.576	62.9	GRAND TOTAL	$ 110.743	$ 68.915	62.2

FIGURE NO. 2.1 (Continued)

ELECTRIC, GAS, & TELEPHONE GENERAL RATE CASE DATA
AMOUNTS REQUESTED & GRANTED
FOR CALENDAR YEARS 1970-1983
($ Millions)



$ Millions

Telephone Group	Requested	Granted	% Granted	Electric, Gas & Telephone Groups	Requested	Granted	% Granted
1970	$ 449	$ 392	87.3	1970	$ 1,729	$ 392	22.7
1971	25,512	14,722	57.7	1971	88,459	58,722	66.4
1972	34,323	15,834	46.1	1972	98,328	64,129	65.2
1973	9,299	3,993	42.9	1973	49,074	29,026	59.1
1974	33,812	8,271	24.5	1974	183,411	74,516	40.6
1975	76,477	51,015	66.7	1975	269,300	231,087	85.8
1976	14,683	10,232	69.7	1976	97,339	92,888	95.4
1977	4,325	3,591	83.0	1977	86,487	54,720	63.3
1978	73,766	36,000	48.8	1978	175,886	99,956	56.8
1979	5,812	3,560	61.3	1979	47,307	36,227	76.6
1980	45,282	25,489	56.3	1980	285,275	199,330	69.9
Sub Total	$ 323,740	$ 173,099	53.4	Sub Total	$1,382,595	$ 940,993	68.1
1981	$ 116,382	$ 74,526	64.0	1981	$ 504,996	$ 379,336	75.1
1982	190,393	114,383	60.1	1982	603,799	218,242	36.1
1983	177,407	67,559	38.1	1983	491,512	257,487	52.4
Sub Total	$ 484,182	$ 256,468	53.0	Sub Total	$1,600,307	$ 855,065	53.4
GRAND TOTAL	$ 807,922	$ 429,567	53.2	GRAND TOTAL	$2,982,902	$1,796,058	60.2

III. Summary Of The Commission Activities And Operations — 1981-1982 And Prior Years

A. NUMBER OF COMPANIES REGULATED

At December 31, 1982, there were 1,281 companies regulated by the North Carolina Utilities Commission as compared with 1,306 in 1981, and 1,265 in 1980. In addition, 80 municipal utility systems, while not regulated by the Commission, were required to file annual reports, making a total of 1,361 utilities regulated or required to file annual reports as of December 31, 1982. Many changes take place annually in various utility groups since new companies are being certified and others are being deleted because of sales, mergers, and abandonments. See Figure No. 3-1.

B. COMMISSION CASE LOAD: FORMAL AND INFORMAL HEARINGS

In addition to the multiplicity of decisions made informally by the Commission in conferences with its staff and interested parties and the many small complaints and inquiries disposed of daily by individual Commissioners and individual staff heads (both Commission and Public Staff) through correspondence, by telephone, and personal discussions with utility customers, executives, and various representatives, organizations and associations, the Commission maintains a full docket of formal and semi-formal hearings and conferences.

During 1982 there were 2,009 proceedings acted upon, as compared with 2,059 in 1981 and 2,078 in 1980. The formal hearings decreased by 85 in 1982 over 1981 (186 compared to 271) and decreased by a total of 60 in 1981 over 1980 (271 compared to 211). For the same period, the informal hearings increased by 35 for 1982 compared to 1981 and decreased by a total of 13 for the year 1981 compared to 1980. See Figure No. 3-2 for 1981 and 1982 number of proceedings by type of utility.

These proceedings require much time and effort by personnel of both the Commission and Public Staffs, and more time in actual public hearings. The number of pages of transcript transcribed by the court reporters over previous years are as follows:

Year	No. of Pages Transcribed
1975	27,938
1976	23,942
1977	30,056
1978	34,057
1979	28,442
1980	28,829
1981	34,205
1982	25,447

The general rate increase hearings continue to generate much public interest. Several segments of the public sector intervene with the Attorney General representing some of the parties and others provided their own legal counsel. In addition the Commission's Public Staff, created by the 1977 Legislature as an independent advocate charged with the responsibility of representing the using and consuming public in matters heard by the Commission, intervened in most cases and made their recommendations to the Commissioners.

Both the Commission and the Public Staff's participation in the formal general rate increase cases continued to increase as the case load increased and many aspects of ratemaking became more technical.

As shown in Figure No. 3-3, many docketed issues are settled by letter type orders and rulings. These are largely matters in which no one has intervened or no general public interest has been demonstrated, as in the case of many gas, electric, telephone, and transportation tariff filings. These types of proceedings accounted for 86% of the total proceedings before the Commission in 1980. In 1981 and 1982 the respective percentages were 85% and 89%. Generally they require only about 10% to 20% of the time of the Commission's staff and the Commissioners.

Complaint Activity

Another important facet of the Commission and Public Staff workload involves the handling of customer complaints dealing with all aspects of utility operations and services. A vast majority of these complaints are settled without becoming a docketed item and going into informal hearing proceedings. The Public Staff's Consumer Services Division investigated and resolved a majority of these complaints. To illustrate the magnitude of this phase of the Commission workload, the number of complaints received and handled in 1980 was 1,733, in 1981, the total was 2,028, and there were 1,922 complaints in 1982.

C. GENERAL IMPACT OF THE REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA IN 1981 AND 1982

The regulated utility companies made significant contributions to the economy of the State during 1981 and 1982. There were 1,386 companies in 1981 and 1,361 companies in 1982. Figure Nos. 3-4, 3-5, and 3-6 portray the magnitude of the contributions in chart and table form. In 1982 employment by the utilities showed a decrease of 4.8% over 1981 while 1981 showed a 4.7% increase over 1980.

Although utility employment showed a decrease in 1982 over 1981, salaries and wages paid to the utility employees increased in dollar amount from over $1,856 billion in 1981 to more than $1,989 billion in 1982, a 6.6% increase.

State income, franchise, and property taxes paid by the regulated sector of the State's business community continued to be substantial.

Type Taxes	Utilities Percent of State Totals 1981	1982
State Income Taxes	15.8%	21.8%
State Franchise Taxes	89.4%	87.4%
Bus and Truck Fees	21.6%	22.0%
Local Property Taxes	7.4%	7.0%
Total of Above Taxes	23.2%	24.3%

Concurrent with the continuing increases in wages and taxes paid by the regulated utilities, gross operating revenues continued to increase. Figure No. 3-6 depicts this growth with the four (4) electric Class A companies showing an increase of 16.6% in 1982 compared to a 14.2% increase in 1980 and an 11.8% increase in 1978.

Investment in gross plant allocated to North Carolina by the electric,gas, and telephone utility companies continued to increase over prior years. The increases for 1981 and 1982 are 6.0% and 9.5%, respectively, making a total of more than $14 billion as of December 31, 1982, ($14,447,934,000). The increased electric plant investment will serve the increasing number of electric and gas customers which numbered 1,986,959 in 1980 as compared with 2,063,108 customers in 1981 and 2,107,632 customers in 1982. In 1981 there were 4,115,937 company-owned telephones in service. However, there was a slight decline in 1982 with only 3,982,050 telephones reported in service. Although there was a decline in the number of company-owned telephones in service, there was an increase in the total number of access lines. As a result more funds will be required to provide adequate service to these additional access lines. The use of the term "access" lines instead of "main" line and the change in method of counting these lines results primarily from the divestiture of American Telephone and Telegraph Co. of its operating companies. Particulars about the divestiture are discussed in Chapter 6, "The Telephone Industry."

The regulated motor freight, motor passenger, and railroad industries play an important role in the industry of North Carolina. However, due to accounting classification changes allowed by ICC in 1979, and the changes in reporting of information by carriers, less sufficient information was available than has been in the past. For detailed information please refer to the individual sections in this publication.

FIGURE NO. 3-1

HIGHLIGHTS OF ACTIVITIES
ELECTRIC, GAS & TELEPHONE UTILITIES
1982 vs 1981
(Dollars in Thousands)

	Electric Class A			Gas All Classes			Telephone All Classes		
	1981	1982	% Change	1981	1982	% Change	1981	1982	% Change
Revenue & Expenses (N.C. Only):									
Operating Revenues	$ 2,642,734	$ 3,081,780	16.6	$ 646,854	$ 643,142	(.57)	$ 1,360,187	$ 1,554,906	14.3
Operating Expenses	2,232,845	2,562,827	14.8	552,914	551,131	(.32)	1,106,371	1,274,453	15.1
Net Operating Income	$ 409,889	$ 518,953	26.6	$ 93,940	$ 92,011	(2.1)	$ 253,816	$ 280,453	10.5
Fixed Charges	195,231	228,485	17.0	14,730	15,276	3.7	94,054	96,679	2.8
Net Income	$ 214,658	$ 290,468	35.3	$ 20,032	$ 17,924	(11.8)	$ 159,762	$ 183,774	15.0
Plant (N.C. Only):									
Gross Plant*	$ 9,414,138	$ 9,883,012	5.0	$ 411,039	$ 447,825	8.9	$ 3,848,367	$ 4,117,097	7.0
Accumulated Depreciation	1,795,724	1,989,710	10.8	123,225	136,674	10.9	867,495	977,817	12.7
Net Plant	$ 7,618,414	$ 7,893,302	3.6	$ 287,814	$ 311,151	8.1	$ 2,980,872	$ 3,139,280	5.3
Capital Structure (Systemwide):									
Capital Stock & Surplus	$ 7,317,608	$ 7,962,885	8.8	$ 167,814	$ 162,848	(3.0)	$ 6,599,628	$ 6,874,130	4.2
Long-Term Debt	7,687,787	7,800,548	1.5	143,596	134,182	(6.5)	4,624,699	4,806,537	3.9
Total Capital Structure	$15,005,395	$15,763,433	5.1	$ 311,410	$ 297,030	(4.6)	$11,224,327	$11,680,667	4.1
Long-Term Debt % of Total Capitalization	51.2	49.4	(3.5)	46.1	45.2	(2.0)	45.5	45.8	.7
Other Statistics (N.C. Only):									
Total Customers Yearly Avg.	1,702,957	1,735,912	1.9	304,072	314,108	3.3			
Average No. kWh's (Electric) or MCFs (Gas) Used per Residential Customer	12,013	6,782	(44.0)	95	89	(6.3)			
Average Revenue per kWh or MCF per Residential Customer	4.92	5.82	18.2	5.10	5.59	9.6			
Total Telephones in Service (Mains & Extensions)							4,115,937	3,982,050	(3.3)
Average No. of Calls per Phone:									
Local							1,784	1,910	7.0
Toll							368	346	(5.9)

*Includes Plant in Service, Under Construction, and Held for Future Use.

FIGURE NO. 3-2

UTILITIES REGULATED AND REPORTING TO THE
NORTH CAROLINA UTILITIES COMMISSION
1973, 1978, 1979, 1980, 1981, 1982

Type of Utility or Service	Number as of December 31					
	1973	1978	1979	1980	1981	1982
Electric	13	10	10	9	8	7
Gas	5	5	5	5	5	4
Motor Freight Carriers by Type:						
Common Carriers	529	533	539	555	536	554
Contract Carriers	77	89	115	120	132	136
Common & Contract Carriers	19	21	21	25	22	18
Railroad Motor Freight Carriers	5	5	5	5	5	4
Total Motor Freight Carriers	630	648	680	705	695	712
Motor Passenger Carriers by Type:						
Common Carriers	45	59	59	60	71	75
Contract Carriers	7	4	4	4	4	4
Intracity Carriers (fares only regulated)	9	10	10	10	12	8
Total Motor Passenger Carriers	61	73	73	74	87	87
Motor Boat Common Carriers	3	2	2	2	4	4
Railroads	23	23	23	23	23	22
Transportation Brokers	5	27	27	27	49	49
Telephone	28	22	21	21	21	20
Telegraph	1	1	1	1	1	1
Water & Sewer	243	403	403	398	413	375
Total Utilities Under Regulation	1,012	1,214	1,245	1,265	1,306	1,281
Municipal Utility Systems Required to File Annual Reports with N.C. Utilities Commission:						
Electric	72	71	71	71	71	71
Gas	8	8	8	8	8	8
Telephone	1	1	1	1	1	1
Total Municipals Filing Annual Reports	81	80	80	80	80	80
Grand Total of Utilities Regulated or Required to File Reports	1,093	1,294	1,325	1,345	1,386	1,361

FIGURE NO. 3-3

TOTAL VOLUME OF PROCEEDINGS BROUGHT BEFORE THE COMMISSION DURING THE CALENDAR YEARS ENDING DECEMBER 31, 1981 AND 1982

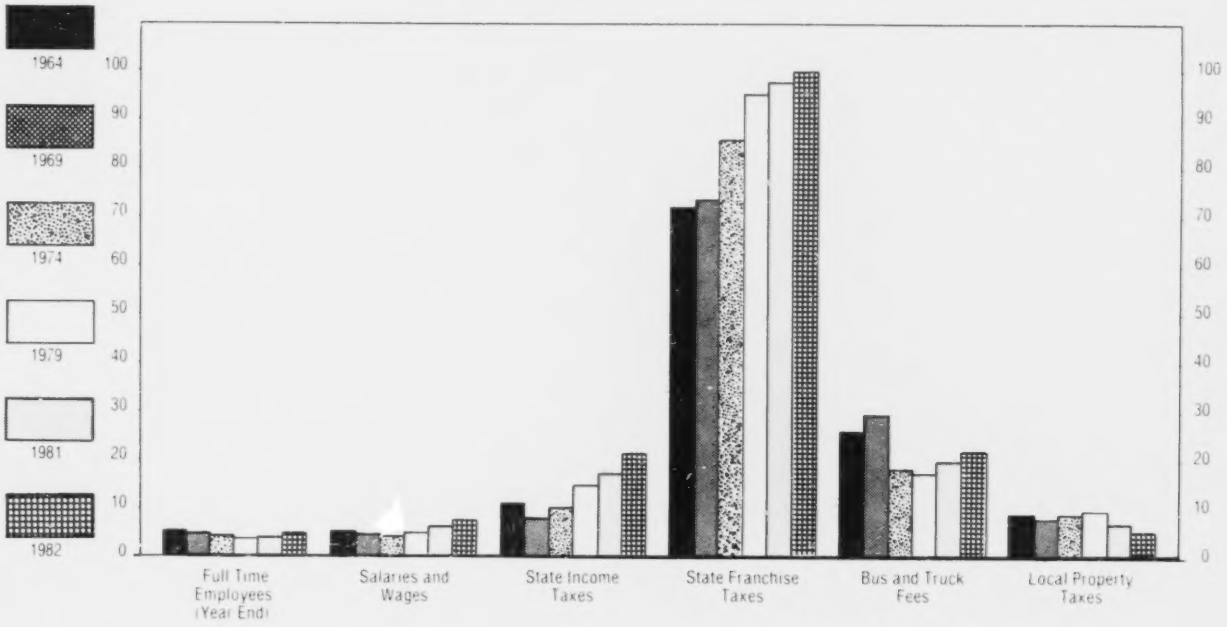
Item		Buses	Electric	Gas	Housing	Railroads	Telephone	Trucks	Water and Sewer	Western Union	Gen. and Misc	Grand Totals
Total Proceedings Before Commission	1981	44	73	56	6	86	417	1,242	110	2	23	2,059
	1982	40	57	60	-0-	57	318	1,287	171	2	17	2,009
Disposition of Proceedings												
1. Formal hearing held with orders to follow	1981	15	27	7	3	12	20	117	56	2	12	271
	1982	6	24	3	-0-	6	22	48	69	1	7	186
2. Conferences with informal hearings held with the following type of decisions resulting:												
a. Regular and Letter type	1981	28	46	49	3	68	397[1]	1,103[2]	54	-0-	11	1,759
	1982	34	33	57	-0-	51	296[3]	1,205[4]	102	1	10	1,789
b. Short form orders issued	1981	1	-0-	-0-	-0-	6	-0-	22	-0-	-0-	-0-	29
	1982	-0-	-0-	-0-	-0-	-0-	-0-	34	-0-	-0-	-0-	34
Total Proceedings Accounted For	1981	44	73	56	6	86	417	1,242	110	2	23	2,059
	1982	40	57	60	-0-	57	318	1,287	171	2	17	2,009
Percent of Grand Total	1981	2.14	3.55	2.72	.29	4.18	20.25	60.31	5.34	.10	1.12	100.00
	1982	1.99	2.84	2.98	-0-	2.48	15.83	64.06	8.51	.10	.85	100.00
Number of Orders Appealed	1981	-0-	3	2	-0-	1	2	-0-	-0-	-0-	-0-	8
	1982	-0-	8	1	-0-	1	4	-0-	-0-	-0-	1	15

[1]Includes 304 tariff filings and 36 map filings.
[2]Includes 984 orders issued by wire service granting temporary operating authority.
[3]Includes 234 tariff filings and 14 map filings.
[4]Includes 1,113 orders issued by wire service granting temporary operating authority.

FIGURE NO. 3-4

IMPACT OF REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA 1964, 1969, 1974, 1978, 1981, 1982

Utilities Percent of State Totals



1982 Data

Utilities	91,633	$ 1,979,383	$ 60,633	$286,683	$12,788	$ 80,866
State Totals	1,925,273	$26,390,284	$277,448	$327,892	$58,127	$1,150,667

FIGURE NO. 3-5

IMPACT OF REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA
SELECTED STATISTICS ABOUT EMPLOYMENT, WAGES, AND CERTAIN TAXES
PAID OR LEVIED — FOR THE YEARS 1964, 1969, 1974, 1979, 1981, 1982

	Number of Full-Time Employees (N.C. Portion Only)					
	1964	1969	1974	1979	1981	1982
Electric (Class A only)	7,462	8,824	14,524	17,959	19,333	20,484
Gas	1,328	1,863	1,851	1,891	2,332	2,287
Telephone	11,563	16,526	20,146	21,188	21,714	21,254
Motor Freight Carriers[A]	25,072	33,472	37,183	41,734	41,124	39,638
Motor Passenger Carriers[A]	2,619	2,667	2,770	2,168	2,240	2,246
Railroads	8,912	7,449	7,515	6,987	5,573	5,631
Western Union	274	294	239	110	93	93
Total Utilities	57,230	71,095	84,228	92,037	92,409	91,633
Total for State	1,026,708	1,333,349	1,724,709	1,935,641	1,957,273	1,925,273
Utilities % of State Total	5.6%	5.3%	4.9%	4.8%	4.7%	4.8%

	Salaries and Wages Paid to N.C. Employees ($000's)					
	1964	1969	1974	1979	1981	1982
Electric (Class A only)	$ 46,296	$ 69,817	$ 168,099	$ 297,320	$ 414,835	$ 490,832
Gas	6,973	12,716	17,094	26,774	37,588	41,648
Telephone	62,614	108,143	5,008	359,413	452,180	490,975
Motor Freight Carriers[A]	150,116	253,258	397,185	657,291	762,441	758,931
Motor Passenger Carriers[A]	12,972	16,508	22,578	27,787	34,855	36,930
Railroads	54,938	66,028	100,255	136,493	152,493	157,953
Western Union	1,411	2,006	1,899	1,324	2,158	2,409
Total Utilities	$ 335,320	$ 528,476	$ 913,118	$ 1,506,402	$ 1,856,550	$ 1,979,678
Total for State[A]	$ 4,280,588	$ 7,380,668	$ 13,107,494	$ 21,050,398	$ 25,381,283	$ 26,390,284
Utilities % of State Total	7.8%	7.2%	7.0%	7.2%	7.3%	7.5%

	Average Annual Compensation					
	1964	1969	1974	1979	1981	1982
Electric (Class A only)	$ 6,204	$ 7,912	$ 11,574	$ 16,555	$ 21,457	$ 23,962
Gas	5,250	6,825	9,235	14,159	16,118	18,211
Telephone	5,415	6,544	10,226	16,963	20,824	23,100
Motor Freight Carriers	5,987	7,566	10,682	15,750	18,540	19,147
Motor Passenger Carriers	4,953	6,190	8,151	12,817	15,560	16,442
Railroads	6,164	8,864	13,341	19,535	27,362	28,050
Western Union	5,145	6,822	7,947	12,034	23,204	25,903
Total Utilities	$ 5,859	$ 7,433	$ 10,841	$ 16,367	$ 20,090	$ 21,604
Total for State	$ 4,169	$ 5,535	$ 7,600	$ 10,875	$ 12,968	$ 13,707

(A) Table 1, "Insured Employment & Wage Payments" for years reported: Motor Freight — Industry Group 421, Motor Passenger — Industry Group 411 & 413. State totals are for all industries with insured employment.

FIGURE NO. 3-5 (Continued)

IMPACT OF REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA
SELECTED STATISTICS ABOUT EMPLOYMENT, WAGES, AND CERTAIN TAXES
PAID OR LEVIED — FOR THE YEARS 1964, 1969, 1974, 1979, 1981, 1982

State Franchise Taxes ($000's)

	1964	1969	1974	1979	1981	1982
Electric (Class A only)	$ 15,551	$ 24,338	$ 63,952	$ 117,579	$ 157,503	$ 179,204
Gas	2,868	5,210	8,469	20,427	38,613	38,376
Telephone	8,403	13,799	25,982	46,989	58,599	67,675
Railroads	1,076	1,256	1,507	1,713	1,784[H]	1,378[I]
Western Union [B]	23	27	32	41	45	50
Total Utilities	$ 27,921	$ 44,630	$ 99,942	$ 186,749	$ 256,544	$ 286,683
Total for State [B] [C]	$ 37,976	$ 60,597	$ 111,742	$ 250,918	$ 286,998	$ 327,692
Utilities % of State Total	73.5%	73.7%	89.4%	74.4%	89.4%	87.4%

Bus and Truck Fees

	1964	1969	1974	1979	1981	1982
Motor Freight Carriers[C]	$ 5,978	$ 9,105	$ 9,468	$ 9,763	$ 10,619[J]	$ 12,132[J]
Motor Passenger Carriers[C]	277	344	526	603	574	656
Total Utilities	$ 6,255	$ 9,449	$ 9,994	$ 10,366	$ 11,193	$ 12,788
Total for State	$ 24,463	$ 32,343	$ 39,793	$ 61,214	$ 51,664	$ 58,127
Utilities % of State Total	25.6%	29.2%	25.1%	17.0%	21.6%	22.0%

Local Property Taxes ($000's)

	1964	1969	1974	1979	1981	1982
Electric (Class A only)	$ 8,192	$ 12,436	$ 22,806	$ 33,393	$ 37,387	$ 38,471
Gas	1,180	2,173	2,731	2,984	3,376	3,471
Telephone	5,282	10,251	20,655	30,087	32,906	32,303
Motor Freight Carriers (Class I & II)	682	1,405	1,721	1,513[D]	1,572	1,499
Railroads	3,533	3,144	3,427	4,613[D]	3,328	5,062
Western Union[E]	29	40	66	56	55	60
Total Utilities	$ 18,898	$ 29,499	$ 51,406	$ 72,648	$ 78,624	$ 80,866
Total for State[F]	$ 236,942	$ 389,764	$ 614,893	$ 867,422	$1,064,030	$1,150,667
Utilities % of State Total	8.0%	7.6%	8.4%	8.4%	7.4%	7.0%

State Income Taxes

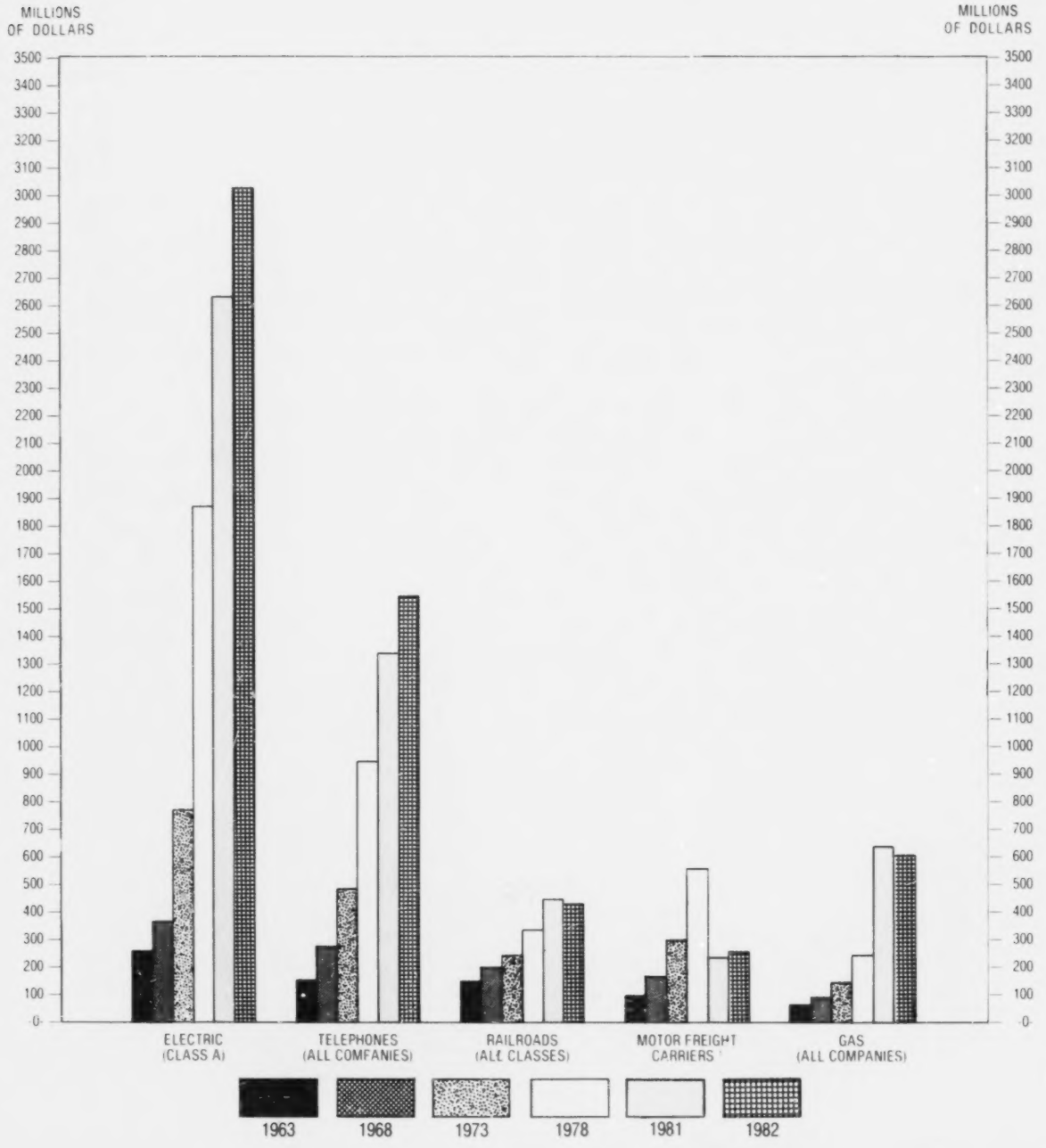
	1964	1969	1974	1979	1981	1982
Electric (Class A only)	$ 4,643	$ 4,390	$ 2,341	$ 16,460	$ 22,989[L]	$ 34,066[L]
Gas	419	592	933	1,420	1,494	1,037
Telephone	3,244	4,785	7,071	14,223	15,780	20,638
Motor Freight Carriers (Class I & II)	615	422	1,159	1,500[A]	2,400[A]	2,500[A]
Motor Passenger Carriers	170	131	113	177[K]	177[K]	163[K]
Railroads	546	613	644	1,326	1,260[G]	2,229
Total Utilities	$ 9,637	$ 10,933	$ 12,269	$ 35,106	$ 44,100	$ 60,633
Total for State[B]	$ 76,916	$ 109,118	$ 165,474	$ 284,669	$ 279,804	$ 277,448
Utilities % of State Total	12.5%	10.0%	7.4%	12.3%	15.8%	21.8%

(A) 1964-1979 data — N.C. Tax Research Department. 1981-1982 data — N.C. Tax Research estimates of corporate data. Carriers that are not incorporated will be excluded from this data.
(B) Statement of the revenues of the General Fund for the fiscal years reported, from the Dept. of Administration, Budget Division, State Income Tax Totals for domestic and foreign corporations only.
(C) From Motor Vehicles Dept. — State Totals include bus and franchise taxes, truck & trailer plates, for hire plates.
(D) Estimated
(E) "Statistics of Taxation" for appropriate years 1981 and 1982. Information from Table 77.
(F) Table 74 - "1982" Statistics of Taxation
(G) Table 45 - "1980" Statistics of Taxation
(H) Table 15 - "1982" Statistics of Taxation
(I) Table 15 - "1982" Statistics of Taxation
(J) Data from N.C. Tax Guide (1983) and Statement of the condition of the General Fund for fiscal years 1980-81 and 1981-82.
(K) Estimates from N.C. Tax Research Department.
(L) 1981 and 1982 State Income Taxes from Surveillance Report of each of the four companies.

FIGURE NO. 3-6

GROSS OPERATING REVENUES OF THE MAJOR UTILITIES IN NORTH CAROLINA
N.C. DATA ONLY

For the Calendar Years 1963, 1968, 1973, 1978, 1981 & 1982



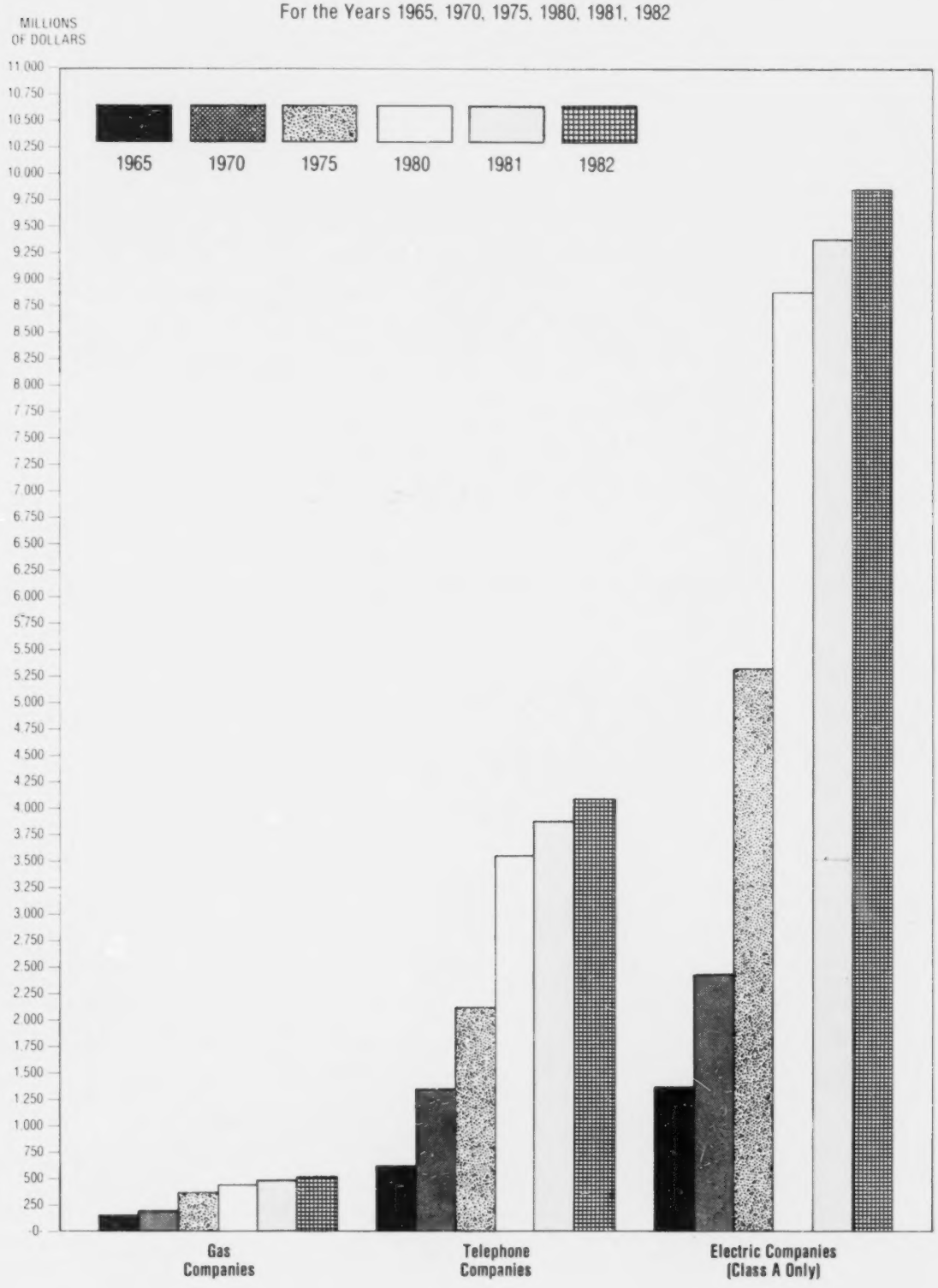
[1]For 1963—Classes I, II & III were used. For 1967 and all future years, Classes I & II were used. ICC reclassification of Carriers in 1979 reduced Class I & II Carriers sharply.
[2]For 1968-1973, 65 of the larger companies.
[3]For 1976, 26 of the larger companies.
[4]For 1977-1978, 14 of the larger companies.
[5]For 1979-1980, 13 of the larger companies.
[6]For 1981-1982, 11 of the larger companies.
[7]Estimated (1981, 1982)

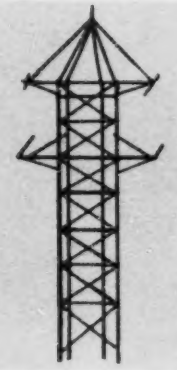
	Motor Passenger Carriers	Water & Sewer[2345]	Western Union[1]
1963	$22.9 Million	$685 Thousand	$629 Thousand
1968	27.4 Million	1.5 Million	1.0 Million
1973	30.1 Million	3.1 Million	748 Thousand
1978	26.3 Million	3.5 Million	793 Thousand
1981	36.9 Million	4.6 Million	766 Thousand
1982	42.3 Million	5.3 Million	840 Thousand

FIGURE NO. 3-7

GROSS PLANT ALLOCATED TO SERVE NORTH CAROLINA CUSTOMERS
ELECTRIC — GAS — TELEPHONE

For the Years 1965, 1970, 1975, 1980, 1981, 1982





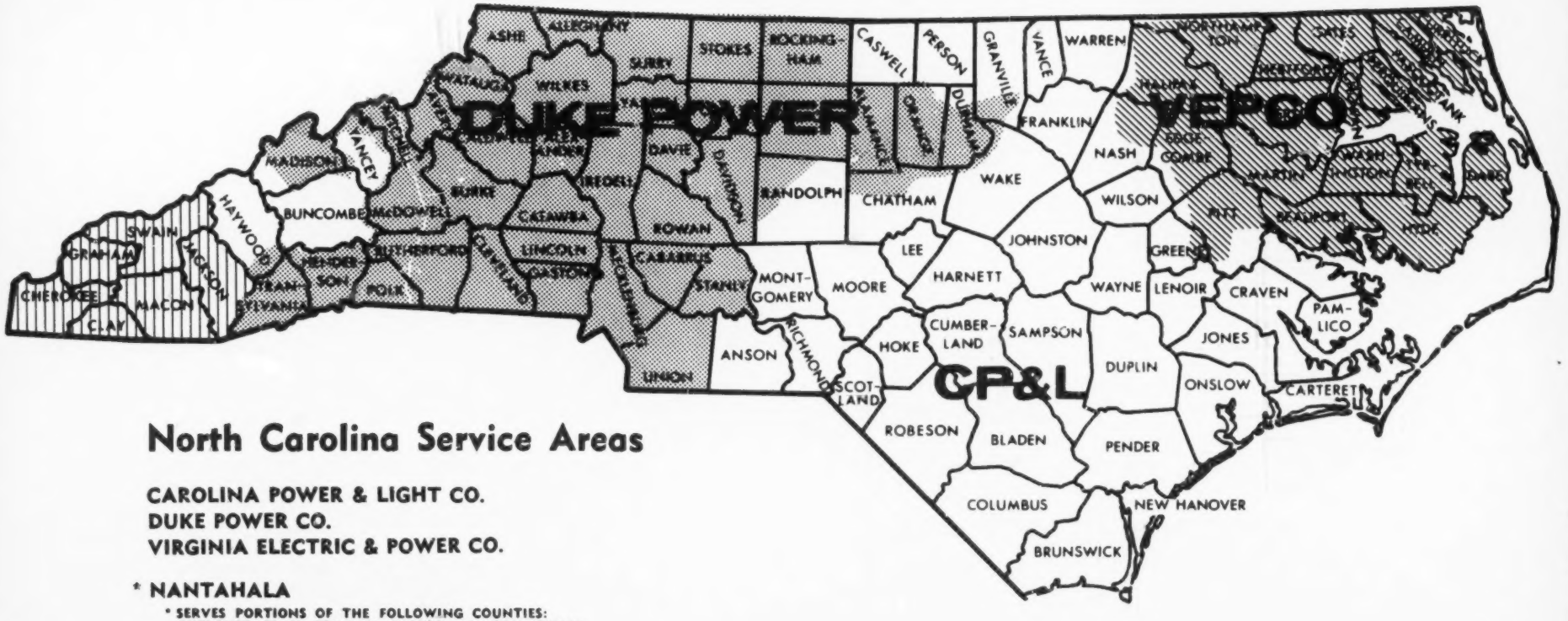
IV. The Electric Power Industry

FIGURE NO. 4-1

Private Power Company Service Areas

CLASS A COMPANIES

Regulated by North Carolina Utilities Commission



North Carolina Service Areas

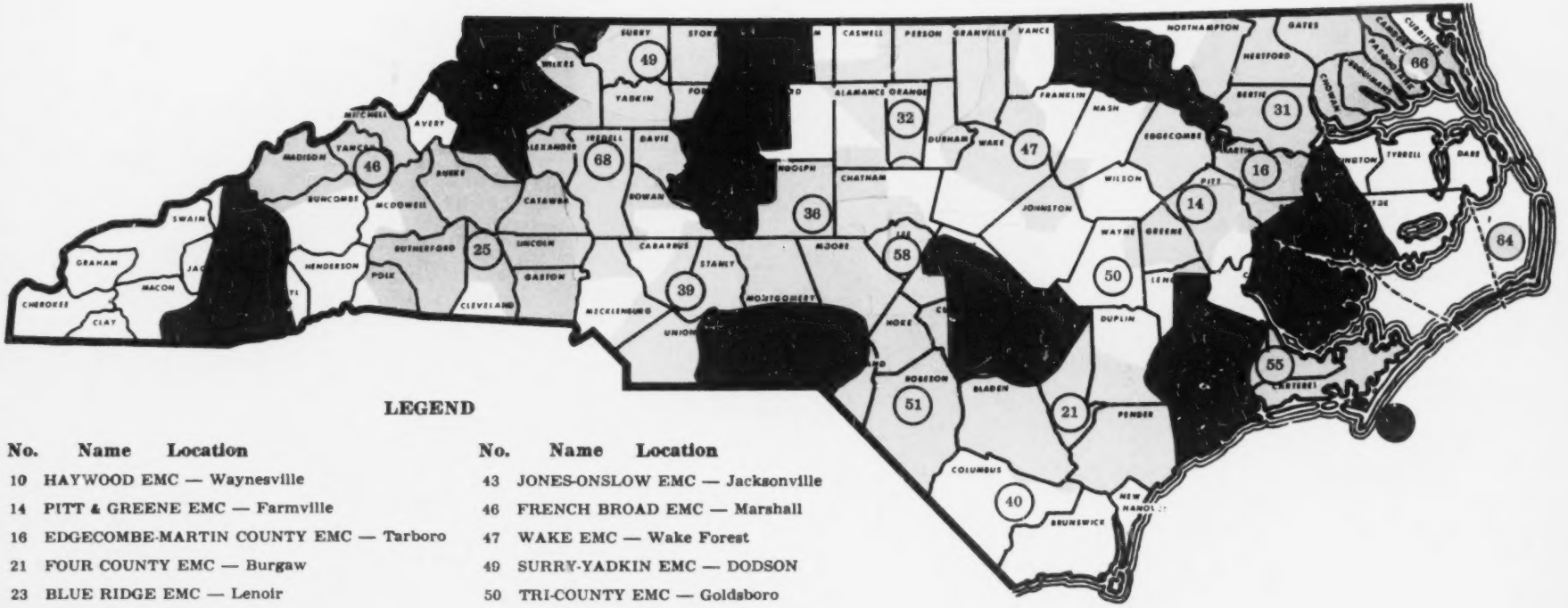
CAROLINA POWER & LIGHT CO.
DUKE POWER CO.
VIRGINIA ELECTRIC & POWER CO.

*** NANTAHALA**

* SERVES PORTIONS OF THE FOLLOWING COUNTIES: CHEROKEE, CLAY, GRAHAM, JACKSON, MACON, SWAIN

Service Area Boundaries as of January 1, 1982.

NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATIONS



LEGEND

No.	Name	Location
10	HAYWOOD EMC	Waynesville
14	PITT & GREENE EMC	Farmville
16	EDGECOMBE-MARTIN COUNTY EMC	Tarboro
21	FOUR COUNTY EMC	Burgaw
23	BLUE RIDGE EMC	Lenoir
25	RUTHERFORD EMC	Forest City
31	ROANOKE EMC	Rich Square
32	PIEDMONT EMC	Hillsborough
33	HALIFAX EMC	Enfield
34	PEE DEE EMC	Wadesboro
35	DAVIDSON EMC	Lexington
36	RANDOLPH EMC	Asheboro
38	HARKERS ISLAND EMC	Harkers Island
39	UNION EMC	Monroe
40	BRUNSWICK EMC	Shallotte
43	JONES-ONSLOW EMC	Jacksonville
46	FRENCH BROAD EMC	Marshall
47	WAKE EMC	Wake Forest
49	SURRY-YADKIN EMC	DODSON
50	TRI-COUNTY EMC	Goldsboro
51	LUMBEE RIVER EMC	Red Springs
52	SOUTH RIVER EMC	Dunn
55	CARTERET-CRAVEN EMC	Morehead City
58	CENTRAL EMC	Sanford
59	TIDELAND EMC	Pantego
64	CAPE HATTERAS EMC	Buxton
66	ALBEMARLE EMC	Hertford
68	CRESCENT EMC	Statesville

FIGURE NO. 4-2

Service Area Boundaries as of January 1, 1982.

NORTH CAROLINA ELECTRIC
MEMBERSHIP CORPORATION
3333 North Boulevard
Raleigh, N.C. 27604

FIGURE NO. 4-3

POWER COMPANIES—CLASS A & B

December 31, 1982

CAROLINA POWER & LIGHT COMPANY
RALEIGH, NORTH CAROLINA
Organized: April 6, 1926
President and Chairman of the Board: Sherwood H. Smith, Jr., Raleigh, N.C.
Service (For North Carolina): Electric
States Served: North Carolina & South Carolina

DUKE POWER COMPANY,
CHARLOTTE, NORTH CAROLINA
Organized: May 1, 1917
President: William S. Lee, Charlotte, N.C.
Chairman of the Board: Carl Horn, Jr., Charlotte, N.C.
Secretary: L.F. Camp, Jr., Charlotte, N.C.
Service (For North Carolina): Electric, Water, Bus
States Served: North Carolina & South Carolina

NANTAHALA POWER AND LIGHT COMPANY
FRANKLIN, NORTH CAROLINA
Organized: July 23, 1929
President: W.M. Jontz, Franklin, N.C.
Secretary: W.W. Sloan, Franklin, N.C.
Service: Electric
State Served: North Carolina

VIRGINIA ELECTRIC AND POWER COMPANY
RICHMOND, VIRGINIA
Organized: June 29, 1909
President: William W. Berry, Richmond, Va.
Vice President—Southern Division: R.D. McIver Williamston, N.C.
Secretary: S.B. Robertson, Richmond, Va.
Service (For North Carolina): Electric
States Served: North Carolina, Virginia, and West Virginia

POWER COMPANIES—CLASS C & D
Towns or Counties Served

Laurel Hill Electric Company	Scotland County
New River Light & Power Company	Watauga County
Western Carolina University[1]	Jackson County

MUNICIPAL ELECTRIC SYSTEMS AND SOURCE OF POWER

Municipality	Source of Power
Albemarle	Duke Power Company
Apex	Carolina Power & Light Company
Belhaven	Virginia Electric & Power Company
Benson	Carolina Power & Light Company
Black Creek	Wilson
Bostic	Duke Power Company, Southeastern Power Administration
Cherryville	Duke Power Company, Shelby
Clayton	Carolina Power & Light Company
Concord	Duke Power Company
Cornelius	Duke Power Company, Crescent Electric Membership Corp.
Dallas	Duke Power Company
Drexel	Duke Power Company, Southeastern Power Administration
Edenton	Virginia Electric & Power Company
Elizabeth City	Virginia Electric & Power Company
Enfield	Virginia Electric & Power Company, Halifax Electric Membership Corp.
Farmville	Carolina Power & Light Company
Fayetteville	Carolina Power & Light Company
Forest City	Duke Power Company
Fountain	Farmville
Fremont	Carolina Power & Light Company
Gastonia	Duke Power Company
Granite Falls	Duke Power Company
Greenville	Virginia Electric & Power Company
Hamilton	Virginia Electric & Power Company
Hertford	Virginia Electric & Power Company
High Point	Duke Power Company
Highlands	Nantahala Power & Light Company
Hobgood	Virginia Electric & Power Company
Hookerton	Carolina Power & Light Company
Huntersville	Duke Power Company
Kings Mountain	Duke Power Company
Kinston	Carolina Power & Light Company
LaGrange	Carolina Power & Light Company
Landis	Duke Power Company
Laurinburg	Carolina Power & Light Company
Lexington	Duke Power Company
Lincolnton	Duke Power Company
Louisburg	Carolina Power & Light Company, Southeastern Power Administration
Lucama	Wilson
Lumberton	Carolina Power & Light Company
Macclesfield	Wilson
Maiden	Duke Power Company
Monroe	Duke Power Company
Morganton	Duke Power Company, Southeastern Power Administration
Murphy	TVA
New Bern	Carolina Power & Light Company
Newton	Duke Power Company
Oak City	Edgecombe-Martin Electric Membership Corp.
Pikeville	Carolina Power & Light Company
Pinetops	Wilson
Pineville	Duke Power Company
Red Springs	Carolina Power & Light Company
Robersonville	Virginia Electric & Power Company
Rocky Mount	Carolina Power & Light Company
Scotland Neck	Virginia Electric & Power Company
Selma	Carolina Power & Light Company
Sharpsburg	Rocky Mount
Shelby	Duke Power Company
Smithfield	Carolina Power & Light Company
Southport	Carolina Power & Light Company
Statonsburg	Wilson
Statesville	Duke Power Company
Tarboro	Virginia Electric & Power Company
Wake Forest	Carolina Power & Light Company
Walstonburg	Wilson
Washington	Virginia Electric & Power Company
Waynesville	Carolina Power & Light Company
Wilson	Carolina Power & Light Company
Windsor	Virginia Electric & Power Company
Winterville	Greenville

[1]No operating or statistical data for this utility is included in this report. No report required by Commission

ELECTRIC MEMBERSHIP CORPORATIONS AND SOURCE OF POWER

Electric Membership Corporation	Headquarters	Source of Power
Albemarle	Hertford	Vepco, SEPA*
Blue Ridge	Lenoir	Duke, SEPA
Brunswick	Shallotte	CP&L, SEPA
Cape Hatteras	Buxton	Vepco
Carteret-Craven	Morehead City	CP&L, SEPA
Central	Sanford	CP&L, SEPA
Crescent	Statesville	Duke, SEPA
Davidson	Lexington	Duke
Edgecombe-Martin County	Tarboro	Vepco, SEPA
Four County	Burgaw	CP&L, SEPA
French Broad	Marshall	CP&L
Halifax	Enfield	CP&L, Vepco, SEPA
Harkers Island	Harkers Island	CP&L
Haywood	Waynesville	CP&L, Duke, Nantahala, SEPA
Jones Onslow	Jacksonville	CP&L, SEPA
Lumbee River	Red Springs	CP&L, SEPA
Pee Dee	Wadesboro	CP&L, Duke, SEPA
Piedmont	Hillsborough	CP&L, Duke, SEPA
Pitt & Greene	Farmville	CP&L, SEPA
Randolph	Asheboro	CP&L, SEPA
Roanoke	Rich Square	CP&L, SEPA
Rutherford	Forest City	Duke, SEPA
South River	Dunn	CP&L, SEPA
Surry-Yadkin	Dobson	Duke
Tideland	Pantego	CP&L, Vepco, SEPA
Tri-County	Goldsboro	CP&L, SEPA
Union	Monroe	Duke, SEPA
Wake	Wake Forest	CP&L, Duke, SEPA

*Southeastern Power Administration

A. GENERAL COMMENTS

At December 31, 1982, there were four (4) major electric utilities (i.e., companies with $2,500,000 or more annual gross operating revenues) and three (3) small electric companies in North Carolina under the regulation of the North Carolina Utilities Commission. The four major, or Class A companies, provided service either directly to retail consumers or as direct or indirect suppliers of electric energy on a wholesale basis to twenty-eight (28) electric membership corporations (EMC's), three (3) smaller privately-owned distributing companies, two (2) publicly owned distributing companies, and seventy-one (71) municipalities operating electric distribution systems throughout the state. The retail rates and service in North Carolina of the four (4) Class A companies, the three (3) smaller privately owned companies, and the two (2) publicly owned companies are under Commission jurisdiction. The service of the EMC's and the rates and service of the muncipalities are not under the Commission's jurisdiction. There are five (5) EMC's whose headquarters are in other states but which serve small portions of North Carolina.

The four (4) major electric utilities are investor-owned companies, three (3) of which have large service areas in adjacent states. Duke Power Company (Duke) serves the west-central portion of North Carolina and an adjoining area in South Carolina. North Carolina retail customers account for approximately 63% of Duke's total sales. Carolina Power & Light (CP&L) serves areas in the east-central, south-central, and western parts of North Carolina as well as an adjacent area in the eastern part of South Carolina, and North Carolina retail customers account for approximately 68% of CP&L's total sales. Virginia Electric & Power Company (Vepco) serves the north eastern corner of North Carolina and most of Virginia. Only 5% of Vepco's sales are to retail North Carolina customers. Nantahala Power and Light (Nantahala), serving the far western portion of North Carolina, is the only Class A company operating solely within North Carolina. Although it qualifies as a Class A utility, due to annual operating revenues of over $5 million, its service area and number of customers are small compared to the other three (3) Class A companies. Aluminum Company of America (ALCOA) owns all of the capital stock of Nantahala. Portions of Nantahala's electric generation were formerly utilized by ALCOA for the smeltering of aluminum. Nantahala, in conjunction with Tapoco, Inc. (another small electric generating company), sells virtually all of its electric generation to the Tennessee Valley Authority (TVA), which in turn returns entitlements of electricity back to Nantahala and Tapoco. Nantahala and Tapoco further apportion the entitled power between themselves; Nantahala for its North Carolina customers and Tapoco for its only customer; ALCOA, located in Tennessee.

The geographical location and the current make up of its customers place Nantahala in a different position from the other major power companies in the State especially in the areas of providing generating capacity and meeting the competition of other sources for residential heating and commercial and industrial use.

B. CUSTOMER GROWTH — COMMENTS

The four (4) major electric utilities, for their North Carolina operations, experienced a customer growth rate in 1981 of 2.1% over 1980, and a growth in 1982 of 2.0% over 1981. The net customer increase was 35,296 for 1981 over 1980 and 32,955 for 1982 over 1981 bringing the total average number of customers to 1,735,912 at December 31, 1982.

The minor electric companies' customer growth decreased in 1981 over 1980 by 1,727 customers. However, in 1982 there was an increase of 83 for the two (2) companies due to the sale of Crisp Power Company, and Pinehurst Inc. Total customers increased from 5,348 in 1981 to 5,431 in 1982 for the two (2) remaining utilities.

An average of 1,741,343 North Carolina customers were served by all the regulated electric utilities in 1982. (See Figure No. 4-4.)

C. ANNUAL CUSTOMER USAGE

The annual customer usage of kWh per residential customer decreased from 12,272 in 1980 to 12,013 in 1981 (2.1%) and decreased again in 1982 to 11,652 (3.3%).

The 1981 figure is 45.1% higher than the national average of 8,277 kWh per residential customer for the same year. However, the 1982 figure is only 36.6% higher than the national average of 8,531 kWh per residential customer.

A study of residential electric customers for North Carolina cities with a population of 50,000 or more for the period 1965-1982 reveals that these customers used a far greater number of kilowatt hours annually per customer than customers in cities of similar size throughout the United States. North Carolina's per customer residential consumption exceeds the national average for the same period.

Following is a table reflecting the results of this usage study:

Average Annual Residential Customers kWh Usage
1965, 1970, 1975, 1980, 1981, 1982
(Class A & B Privately-Owned Utilities Only)

	1965	1970	1975	1980	1981	1982
N.C.—Statewide Average	6,697	9,695	11,002	12,272	12,013	11,652
N.C. (Charlotte & Raleigh) (a)	7,272	11,037	11,771	13,201	12,741	12,560
S.C.—(Columbia & Charleston) (b)	6,121	9,613	9,683	10,793	12,309	15,260
U.S. Average	4,618	6,700	7,829	8,481	8,277	8,531
N.C. (Charlotte & Raleigh) higher than S.C. (Columbia & Charleston)	18.8%	14.8	21.6	3.5	3.5	(21.5)
Higher than US average	57.5%	64.7	50.4	54.7	53.9	47.2

A—Charlotte—served by Duke Power Co.
Raleigh—served by CP&L (average of the two used)
B—Columbia & Charleston—
served by S.C. Elec. & Gas Co. (average of the two used)

The average monthly use of electricity (1,022 kWh) in 1981 and (971 kWh) in 1982 by North Carolina residential customers of Class A companies, who constitute about 86.1% of the total or regular electric utility customers in the State, is one of the highest in the nation. It is generally recognized that there is a direct correlation between the greater residential usage in North Carolina compared to national usage and the average charge per kilowatt-hour in North Carolina. Generally the lower the cost per kWh the greater the usage.

D. RATE INCREASES APPROVED

The average charge per kilowatt-hour for North Carolina residential service increased 14.7% in 1981 over 1980 and 18.3% in 1982 over 1981. Figure No. 4-5 shows the average price of one (1) kWh for the years 1960, 1965, 1970, 1975, 1980-82. The 1981 and 1982 figures of 4.92¢ and 5.82¢ reflect the general rate increases including adjustments for increase in fuel costs approved by the Commission in 1981 and 1982 as indicated in the table on the next page.

E. ELECTRIC BILLS: COMPARISONS OF RESIDENTIAL STATE MONTHLY AVERAGE

Comparing average monthly bills as of January 1, 1982, in North Carolina to the nine (9) selected states of Alabama, California, Florida, Indiana, Maine, Michigan, Ohio, South Carolina, and Virginia, the state is the 4th lowest at the 500 kWh consumption level, 3rd lowest at the 750 kWh consumption level, and 4th lowest in the 1000 kWh consumption level.

North Carolina vs. the United States average shows that North Carolina average monthly bills for the years 1981 and 1982 continued to be lower. Data shown in Figure No. 4-6 indicates that states in all regions of the United States have experienced increasing electric bills.

The North Carolina electric utilities have companywide rates for the respective residential, commercial, and industrial classes of customers. For example, the residential customer's bill will not vary between the small communities and the large where the volume of usage and load characteristics are the same and they are served by the same company.

F. GENERATING CAPACITY — TOTAL AND WITHIN NORTH CAROLINA

Total owned and purchased generating capacity of the Class A electric companies serving in North Carolina for 1981 and 1982 was 33,349,402 kWh and 33,390,260 kWh, respectively.

Generating capacity located within the boundaries of North Carolina accounted for 50.6% of total kilowatt capacity owned and purchased during 1981 and 1982. See Figure 4-7. Electric utilities are planning for an increasingly larger percentage of their total generating capacity to come from nuclear power. The first nuclear fueled electric generating station in North Carolina, CP&L's Brunswick Nuclear Plant, began commercial operation in 1975. A second unit

Rate Increases Approved Electric Companies
For the Years 1981 & 1982

Company	Date Filed	Docket Number	Amount Requested (000's)	Amount Approved (000's)	Date of Final Order
1981					
Carolina Power & Light	5-9-80	E-2, Sub 391	$91,269	$71,811	1-15-81
Duke Power Co.	2-29-80	E-7, Sub 289	91,572	57,450	6-30-80
New River Power & Light	6-10-80	E-34, Sub 14	735	676	2-11-81
Virginia Electric & Power Co.	12-29-80	E-22, Sub 257	16,646	12,924	10-27-81
1982					
Carolina Power & Light	5-15-81	E-2, Sub 416	151,432	119,197	2-12-82
Carolina Power & Light	2-19-82	E-2, Sub 444	160,464	8,874	9-24-82
Duke Power Co.	3-18-81	E-7, Sub 314	211,000	166,403	2-11-82
Duke Power Co.	3-31-82	E-7, Sub 338	197,012	61,703	11-1-82
Nantahala Power & Light	12-31-82	E-13, Sub 35	2,148	(2,147)[1]	6-8-82
Virginia Electric & Power Co.	1-25-82	E-22, Sub 265	22,385	11,814	8-26-82

[1]Required decrease as the result of the roll ins of the Aluminum Company of America (ALCOA) other subsidiary North Carolina Power Company Tapoco into a unified Nantahala/Tapoco system for this general rate case.

has been added to the Brunswick Station as well as the operation of the Shearon Harris Unit 1 and the Robinson Unit 2. CP&L had plans to expand the Harris Plant for Units 3 and 4; however, these plans were cancelled in December 1981. In December 1983, CP&L cancelled Unit 2 of the Shearon Harris nuclear plant. The 900-megawatt unit was 4% complete and had been scheduled to operate in 1990. Construction will continue as planned on Unit 1 which is 85% complete. It is scheduled to begin operation in 1986. Several reasons contributed to the cancellation of the plant including cost escalations, delays as a result of economic conditions, and changing regulatory requirements. All of these conditions have been greatly impacted by national and local environmental considerations.

Several additional large units are in various stages of planning or construction. Duke's McGuire Nuclear Plant had its first unit placed in commercial operation on December 1, 1981. Construction work on the second unit of the McGuire Nuclear Station is virtually complete. Commercial operation is scheduled for March 1984. Plans for another nuclear station, Cherokee Units 2 and 3, were cancelled in November 1982 because studies showed its economic advantage had been lost due to changing patterns in the demand for electricity and other factors. Duke Power also cancelled plans for the Perkins Nuclear Plant in February 1982 because of reduced growth projections, uncertain economic and regulatory climates, and difficulty in attracting capital on acceptable terms. Work on the Cherokee Unit 1 was halted April 29, 1983. Another nuclear station, Catawba Unit 1, of which Duke has a 25% interest, is scheduled for completion in 1985. The second unit, Catawba 2 is scheduled for operation in 1987. As of December 31, 1982, Catawba Unit 1 was more than 90% complete, and Catawba Unit 2 was about 50% complete.

Vepco has several nuclear stations in operation—North Anna Units 1 and 2 and Surry Units 1 and 2. Plans to expand the Surry Units to 3 and 4 were cancelled in March 1977. Also, the expansion plans for a North Anna Unit 4 were halted in November 1980. The latest cancellation plans, on November 19, 1982, terminated the North Anna Unit 3 nuclear station.

Cogeneration

In 1978 the Federal Public Utility Regulatory Policies Act challenged the Federal Energy Regulatory Commission and the State regulatory authorities to encourage the development of cogeneration and small power production. Cogeneration facilities simultaneously produce two forms of useful energy such as electric power and steam. Cogeneration facilities use significantly less fuel to produce electricity and steam (or other forms of energy) than would be needed to produce the two separately. Thus by using fuels more efficiently, cogeneration facilities can make a significant contribution to the nation's effort to conserve its energy resources. CP&L, Duke, and Vepco, in cooperation with the N. C. Alternative Energy Corporation, are working with customers who may be able to generate some of their own needs for electrical power, thus lowering peak loads. Small power production facilities use biomass, waste, or renewable resources, including wind, solar, and water, to produce electric power. Reliance on these

sources of energy can reduce the need to consume traditionial fossil fuels to generate electric power.

In the Commission's order, dated June 3, 1980, part of their responsibilities include determining the rates, charges, and conditions for the sale of electric energy and electric capacity between electric utilities and qualifying cogenerators or small power producers in North Carolina. In addition, the Commission will determine the relative responsibilities of utilities and qualifying facilities with respect to system protection, service reliability, and other matters affecting such service.

Major participants in the cogeneration program will come from the textile, paper, and chemical industries. Through efficient generation of their own electricity, a greater profitability, and aid in the reduction of overall production costs will be stimulated. The two largest power companies have access to a potential of 258,320 kW of electricity through the promotion of cogeneration since the Public Utility Regulatory Policies Act of 1978. These cogeneration facilities will have the capacity to provide the electrical needs of approximately 28,700 residential homes assuming a usage of 1000 kWh per home per month. Vepco has no customer-owned hydroelectric facilities operational in its N.C. service area, but it is purchasing power from two facilities in its Virginia service area.

During 1981 and 1982 nuclear generation accounted for the following percentages of total kWh's generated for each of the companies regulated by the Commission: CP&L 1981 — 30.3%, 1982 — 30.2%; Duke 1981 — 29.4%, 1982 — 29.3%; and Vepco 1981 — 33.2%, 1982 — 33.1%

G. SOURCE AND DISPOSITION OF THE ELECTRIC OPERATING REVENUE DOLLAR

Both the source and disposition of the 1981 and 1982 electric operating revenue dollar are shown by the pie charts on Figure No. 4-8.

Fuel costs, the largest component of the operation and maintenance expenses, consumed the larger portion of the operating revenue dollar, requiring 37 cents in 1981 and 32 cents in 1982, while the remaining operation and maintenance costs required 24 cents in 1981 and 25 cents in 1982.

Shown below is comparative data reflecting the components percentagewise for both source and disposition of the electric operating revenue dollar for the years 1981 and 1982:

Source & Disposition of the Operating Revenue Dollar Electric Companies North Carolina Class A Operations Only (Dollars in 000's)

	1981 % of Total	1982 % of Total
Source:		
Residential	32.8%	32.9%
Commercial	19.8	21.2
Industrial	26.5	26.4
Sales for Resale	19.1	17.3
Other	1.8	2.2
Total	100%	100%
Disposition:		
Fuel Costs	37.4%	31.6%
Other Operating & Maintenance Costs	23.9	25.4
Depreciation	8.0	8.3
General Taxes	8.3	9.7
Income Taxes	6.9	7.9
Interest	7.4	7.4
Preferred Dividends	1.6	2.6
Common Stock Earnings	6.5	7.1
Total	100%	100%

Fuel costs as a percent of total operation and maintenance expenses (excludes depreciation and taxes) has been declining since 1974, primarily because of the decrease in coal costs and the increasing use of nuclear fuel, which is cheaper than the fossil fuels. The chart below shows this relationship for the five year period 1977 - 1982.

	1977	1978	1979	1980	1981	1982
Fuel Costs	$ 625,844	$ 670,738	$ 724,540	$ 866,928	$ 989,366	$ 977,907
Other Operating & Maint. Expenses	293,237	340,448	389,710	507,574	630,366	787,301
Total Operating & Maint. Expenses	919,081	1,011,186	1,114,250	1,374,502	1,619,732	1,765,208
% of Fuel Costs Total Operating & Maint. Expenses	68.1%	66.3%	65.0%	63.1%	61.3%	55.4%

H. ENERGY SALES

Energy sales for the past decade have been rising. Class A companies' total energy sales in North Carolina increased in 1981 over 1980 by 1.54% with over 66 billion kilowatt-hours sold in 1981. However, there was a 3.15% decrease in 1982 with only 64 billion kilowatt hours sold. The recent recessionary economic conditions coupled with the customer's conservation efforts explain the downward direction of energy sales in 1982 compared to the previous years. Figure No. 4-9 shows energy sales by class of customers for the years 1965, 1970, 1975, 1980-82.

I. STATISTICAL SUMMARY DATA

As can be seen from Figure No. 4-10, the total operating revenues for North Carolina operations of the Class A electric utilities increased 16.6% for 1982 over 1981, and for the Class B, C, and D companies, the increase was 17.4% for the same period.

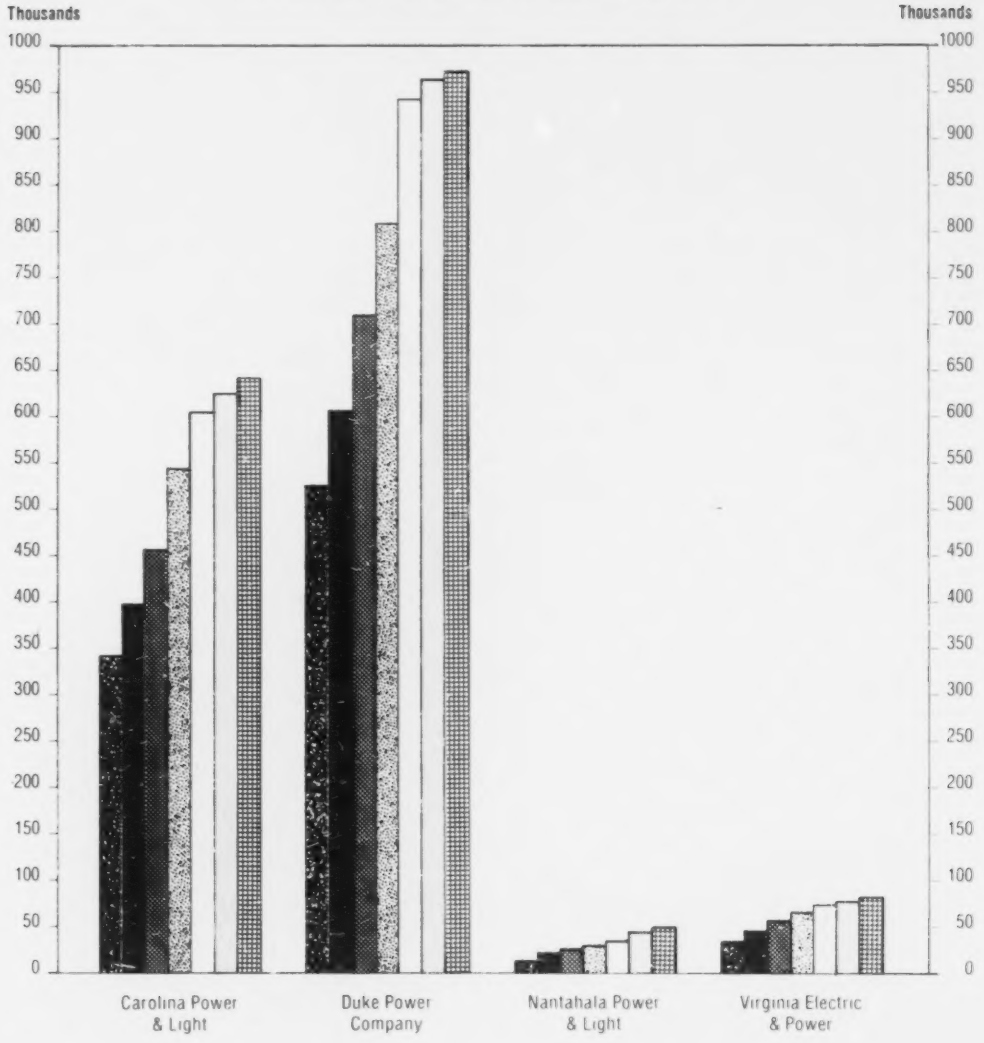
North Carolina operating expenses for the Class A companies increased 16.5% for 1982 over 1981, and the net operating revenue for 1982 increased 17.1% from 1981. At the same time total operating expenses for the minor electric companies increased 24.7% while the net operating revenue decreased by 15.6%.

Net income available for the common shareholders of the Class A companies was $619,554,525 for 1981 vs. $741,414,735 for 1982. The number of common shares outstanding at year end increased from 249,428 million in 1981 to 274,340 million in 1982 or 10%. This resulted in an increase in earnings per share (year-end shares outstanding) from $2.48 in 1981 to $2.70 in 1982.

Total salaries and wages paid North Carolina employees by Class A companies for 1981 and 1982 was $414,835,223 and $490,831,788 respectively, an increase of 17.4% over 1980 and 18.3% over 1981. In 1982 the number of employees residing in North Carolina was 20,484 compared with 19,333 in 1981, for an increase of 5.6%.

FIGURE NO. 4-4

ELECTRIC COMPANIES—CUSTOMER GROWTH
(North Carolina Data Only)
For the Years 1960, 1965, 1970, 1975, 1980, 1981, 1982



Customer Growth—Class A Companies Combined
(Totals in Thousands—Yearly Average)

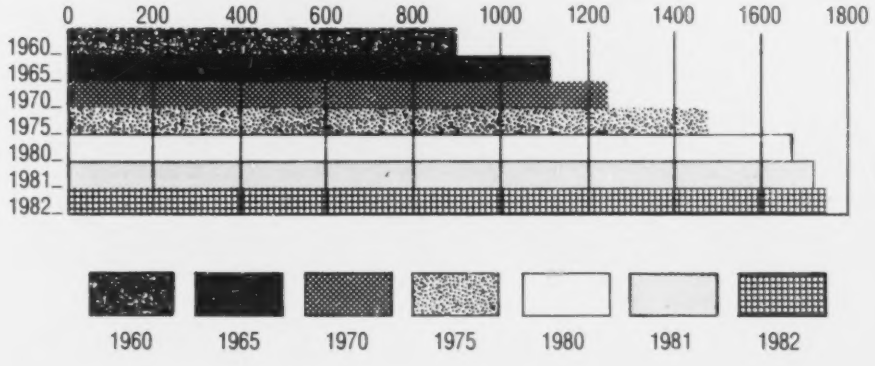
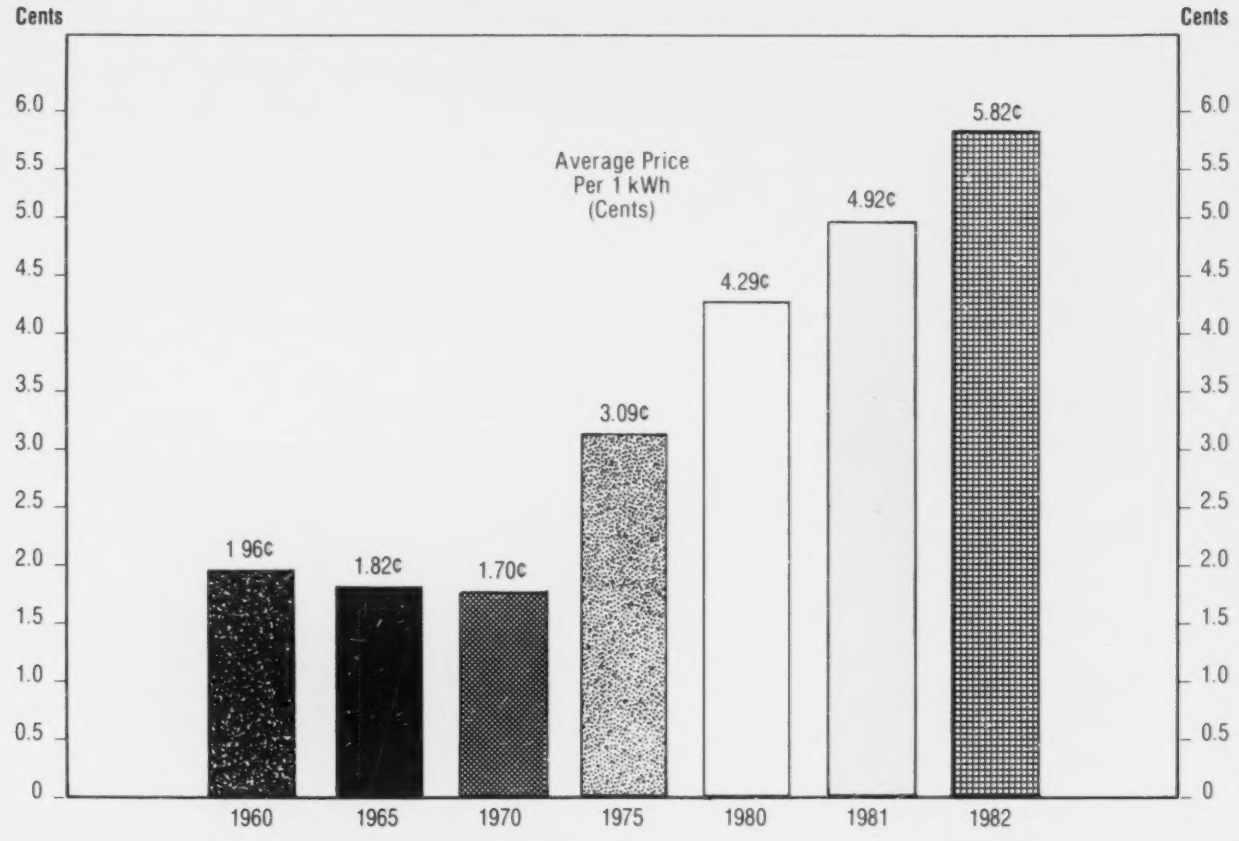


FIGURE NO. 4-5

RESIDENTIAL ELECTRIC SERVICE—CLASS A COMPANIES
Average Annual Usage Per Customer and Average Price of 1 kWh
(North Carolina Data Only)
1960, 1965, 1970, 1975, 1980, 1981, 1982



	1960	1965	1970	1975	1980	1981	1982
Average kWh Usage Per Customer	5,204	6,697	9,695	11,002	12,272	12,013	11,652

Average Price of kWh in Cents by Company

CP&L	1.64¢	3.18¢	4.36¢	5.38¢	6.28¢
Duke	1.73¢	3.01¢	4.13¢	4.57¢	5.49¢
Nantahala	1.66¢	2.29¢	3.68¢	4.23¢	4.98¢
Vepco	1.91¢	3.80¢	6.33¢	6.36¢	6.74¢

FIGURE NO. 4-6

COMPARATIVE TYPICAL RESIDENTIAL ELECTRIC BILLS—
NINE SELECTED STATES, NORTH CAROLINA, AND U.S. AVERAGE

STATE AVERAGE MONTHLY BILLS—RESIDENTIAL SERVICE
(Cities of 2,500 Population and Over) Data as of January 1 of each year listed

	500 kWh Assumed Consumption					750 kWh Assumed Consumption					1000 kWh Assumed Consumption				
State	1970	1975	1980	1981	1982	1970	1975	1980	1981	1982	1970	1975	1980	1981	1982
North Carolina	$ 9.40	$ 16.21	$ 24.05	$ 27.11	$ 31.50	$ 12.75	$ 22.53	$ 32.63	$ 37.70	$ 43.98	$ 16.24	$ 29.20	$ 41.83	$ 48.39	$ 56.61
Alabama	9.33	16.62	23.63	28.38	28.50	12.12	22.05	33.99	40.69	41.22	14.91	27.45	44.34	53.00	53.92
California	10.05	17.25	22.79	29.75	39.31	13.20	23.64	34.24	41.69	54.20	16.35	29.91	47.65	57.61	74.20
Florida	11.26	18.53	25.53	31.02	36.38	15.24	25.88	36.68	44.85	52.15	19.10	33.17	48.37	59.29	69.21
Indiana	10.32	13.37	26.68	28.06	31.29	13.98	18.31	35.22	37.19	42.66	18.01	23.59	44.83	47.43	54.35
Maine	11.85	18.05	26.05	34.07	33.70	15.98	25.00	35.98	47.92	49.75	21.34	33.32	45.91	61.76	65.80
Michigan	7.77	14.57	25.65	30.19	27.93	12.32	21.74	33.74	40.09	38.43	17.31	29.63	45.85	54.79	56.18
Ohio	10.44	17.23	28.26	30.71	34.99	14.07	24.15	39.94	43.89	50.13	18.14	31.15	51.11	56.16	63.21
South Carolina	10.01	18.53	25.40	26.05	32.71	13.33	25.18	34.77	35.87	45.19	16.69	31.87	44.38	45.99	57.49
Virginia	10.08	20.91	33.10	31.65	35.14	13.57	28.18	46.31	44.09	49.96	17.03	35.11	58.92	55.95	62.26
United States	10.51	17.93	27.50	32.61	37.26	14.22	24.72	36.93	43.99	50.40	18.31	32.29	48.76	58.16	66.84
North Carolina Rank— (Low to High-9 states listed)	3rd Lowest	3rd Lowest	3rd Lowest	2nd Lowest	4th Lowest	3rd Lowest	4th Lowest	1st Lowest	3rd Lowest	3rd Lowest	2nd Lowest	3rd Lowest	1st Lowest	3rd Lowest	4th Lowest
North Carolina Rank (Low to High-50 states & DC)	15th Lowest	28th Lowest	21st Lowest	21st Lowest	26th Lowest	12th Lowest	30th Lowest	18th Lowest	22nd Lowest	25th Lowest	12th Lowest	30th Lowest	17th Lowest	19th Lowest	25th Lowest
N.C. average lower than U.S. average — Percent	10.5%	9.6%	12.5%	16.9%	15.4%	10.3%	8.9%	11.6%	14.3%	18.7%	11.3%	9.5%	14.2%	16.8%	15.3%

Source: "Typical Electric Bills" for applicable years — U.S. Dept. of Energy

FIGURE NO. 4-7

ELECTRIC GENERATING CAPACITY OWNED AND PURCHASED
WITH GENERATING CAPACITY LOCATED IN NORTH CAROLINA SHOWN
(Unit of Measurement—Kilowatt—000's—)
FOR THE PERIOD 1965, 1970, 1975, 1980, 1981, 1982

Generating Capacity Owned—Maximum Name Plate Rating Used

Class A Companies	Steam Coal Fired 1965	1970	1975	1980	1981	1982	1982 % of Total Owned & Purchased	Steam Nuclear Fired 1981	1982	1982 % of Total Owned & Purchased	Hydro Electric 1965	1970	1975	1980	1981	1982	1982 % of Total Owned & Purchased
CP&L	1,627	2,695	5,729	4,632	4,632	4,632	51.8	2,709	2,709	30.2	220	220	220	220	219	220	2.5
Duke Power	3,454	5,366	10,675	7,567	7,573	7,573	57.1	3,887	3,887	29.3	768	868	1,008	1,007	1,007	1,007	7.6
Nantahala	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	—	94	99	99	99	99	99	52.9
Vepco	3,363	4,628	8,376	6,682	6,550	6,550	59.4	3,654	3,654	33.1	306	278	288	286	286	285	2.6
Totals	8,444	12,689	24,780	18,881	18,775	18,755	56.1	10,250	10,250	30.6	1,388	1,465	1,615	1,612	1,611	1,611	4.8
% increase (decrease)	42.6	50.3	95.3	(23.8)	(.7)	—		14.4	—		44.6	5.5	10.2	(.2)	-0-	-0-	
Generated in N.C.	4,500	7,752	12,479	11,855	11,850	11,850	70.2	2,954	2,954	17.5	1,030	1,114	1,147	1,144	1,143	1,144	6.8
Percent of total	53.3	61.1	50.4	62.8	63.2	63.2		28.8	-0-		74.2	76.1	71.0	71.0	70.9	70.9	

	Gas Turbine 1975	1980	1981	1982	1982 % of Total Owned & Purchased	Generating Capacity Purchased* 1965	1970	1975	1980	1981	1982	Total Owned and Purchased** 1965	1970	1975	1980	1981	1982
CP&L	1,295	1,295	1,294	1,294	14.5	229	629	240	138	81	86	2,076	3,852	7,484	8,994	8,935	8,942
Duke Power	388	599	656	656	5.0	308	108	253	309	84	118	4,592	6,572	12,323	12,082	13,207	13,241
Nantahala	N/A	N/A	N/A	N/A	-0-	-0-	-0-	50	72	88	88	94	99	150	171	187	187
Vepco	563	531	531	531	4.8	N/Apl.	N/Apl.	N/Apl.	N/Apl.	N/Apl.	N/A	3,720	5,255	9,227	11,153	11,021	11,020
Totals	2,246	2,425	2,481	2,481	7.4	587	737	543	519	253	292	10,482	15,778	29,184	32,400	33,350	33,390
% increase (decrease)	153.2	8.0	2.3	—		40.1	25.7	(26.4)	(4.4)	(51.3)	15.4	43.6	50.5	85.0	11.0	2.9	1.1
Generated in N.C.	688	894	933	933	5.5	N/A	N/A	N/A	N/A	N/A	N/A	5,530	9,257	14,314	15,626	16,880	16,882
Percent of total	30.6	36.9	37.6	—		N/A	N/A	N/A	N/A	N/A	N/A	52.8	58.7	49.0	48.2	50.6	50.6

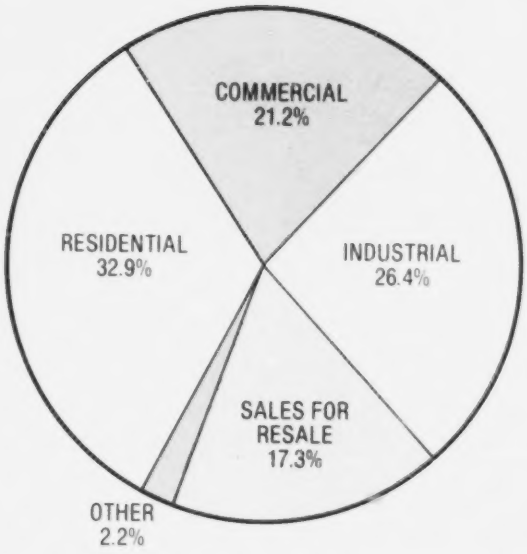
*Based on annual maximum demand
**1970-78 figures for Total Owned & Purchased include amounts for Gas Turbines.
N/A Not available
N. Apl. Not applicable

FIGURE NO. 4-8

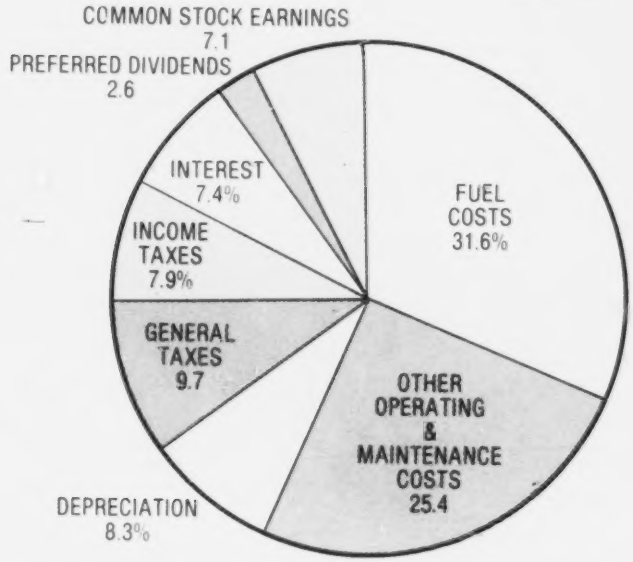
SOURCE AND DISPOSITION OF THE OPERATING REVENUE DOLLAR
ELECTRIC COMPANIES

North Carolina Class A Operations Only
(Dollars in 000's)
December 31, 1982

SOURCE



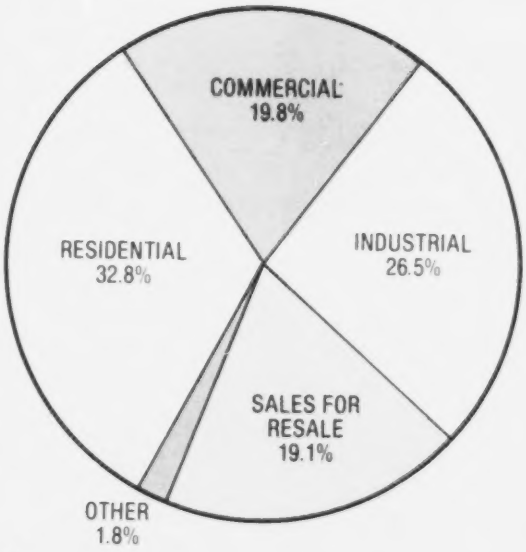
DISPOSITION



SOURCE AND DISPOSITION OF THE OPERATING REVENUE DOLLAR
ELECTRIC COMPANIES

North Carolina Class A Operations Only
(Dollars in 000's)
December 31, 1981

SOURCE



DISPOSITION

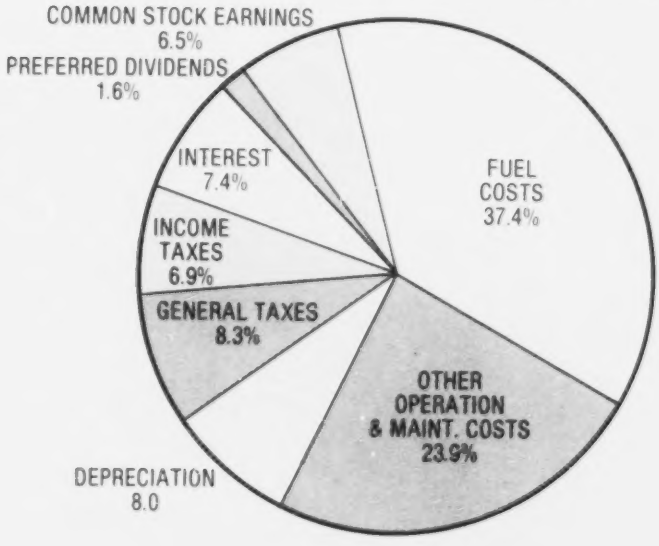


FIGURE NO. 4-9

ELECTRIC COMPANIES — CLASS A

Energy Sales by Class of Customers
(North Carolina Data Only — Kilowatt-Hours in Billions)
For the Years Only 1965, 1970, 1975, 1980, 1981, 1982

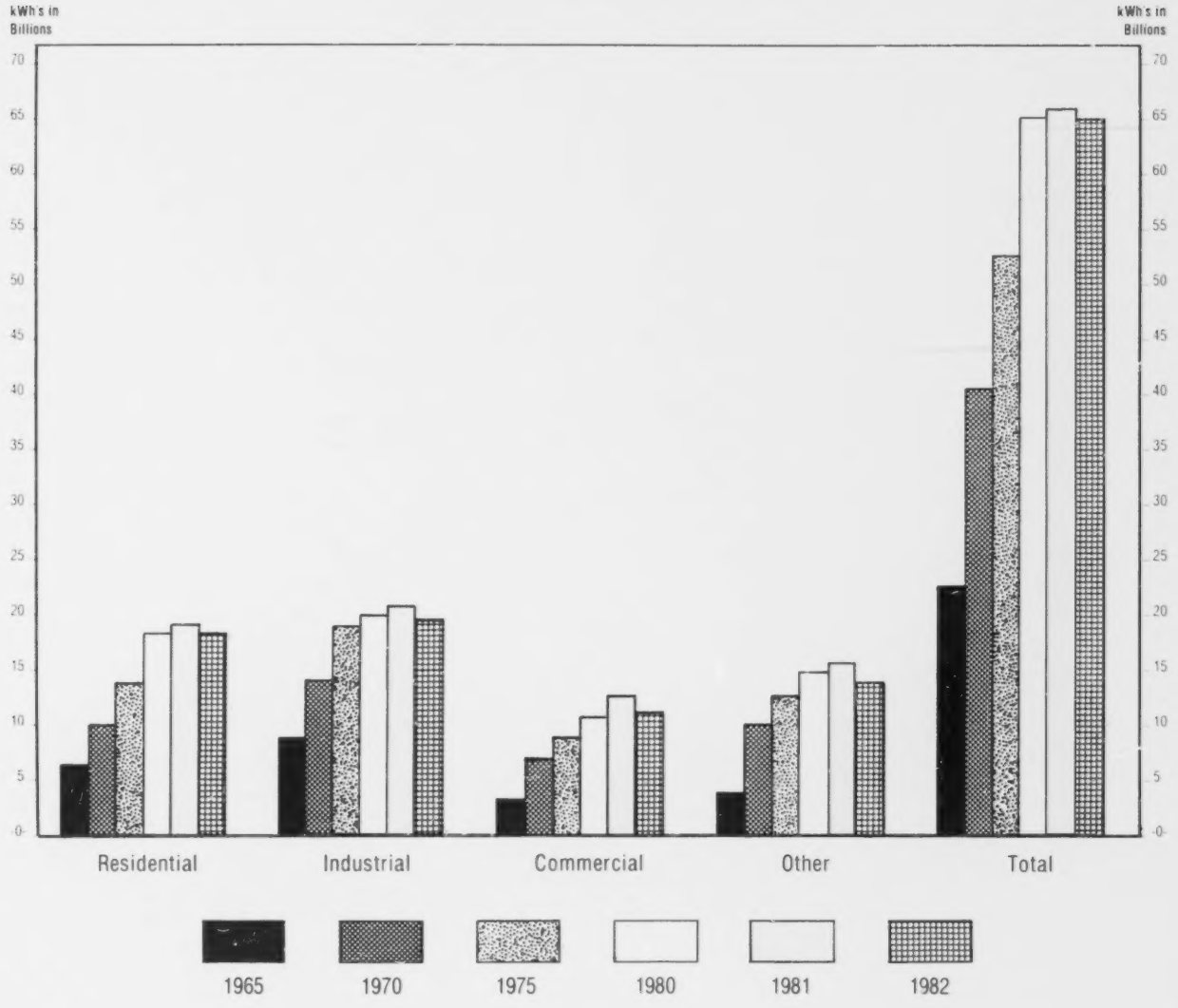


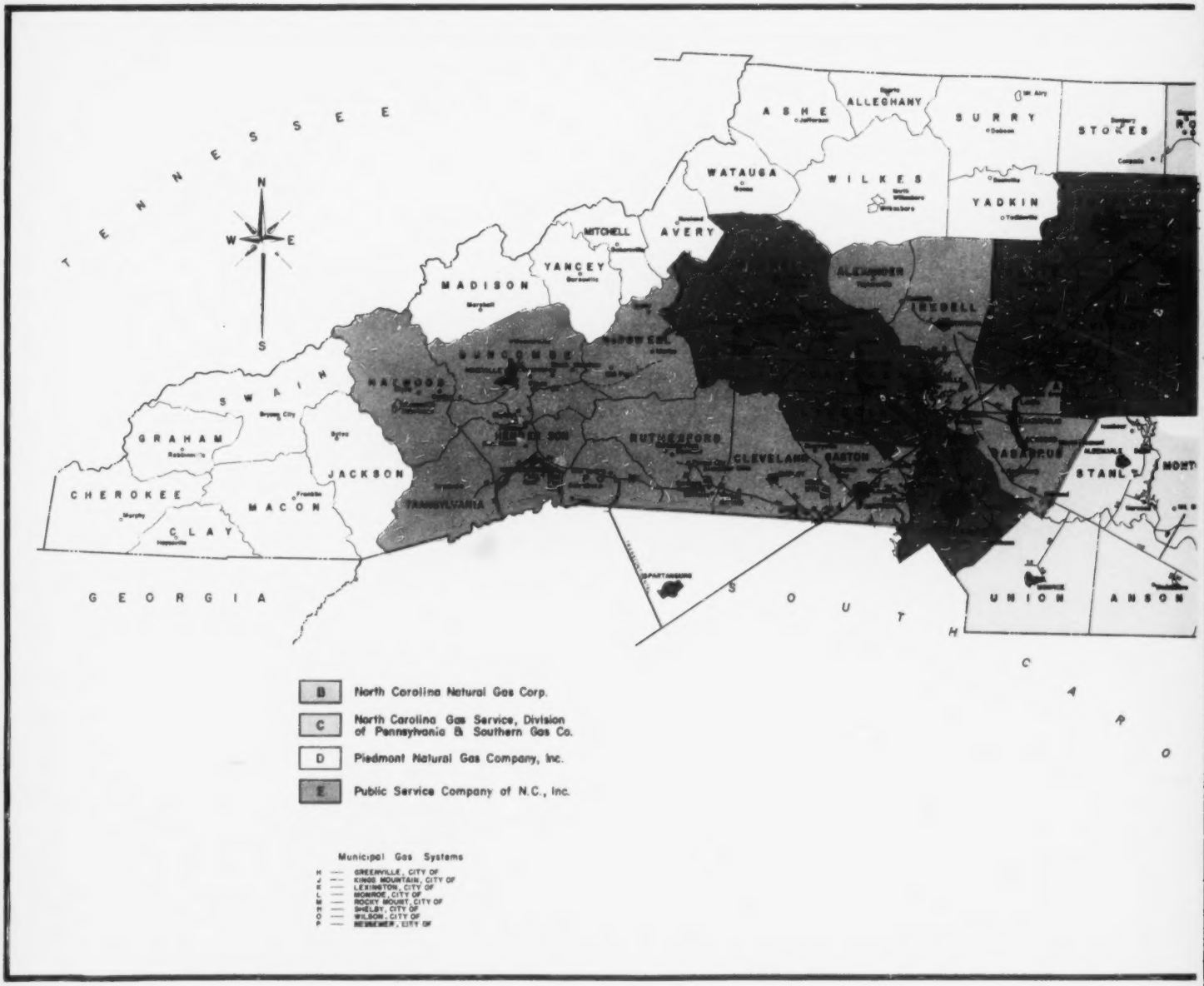
FIGURE NO. 4-10

ELECTRIC COMPANIES—CLASSES A, B, C, & D

Summary of Selected Data—Income, Expenses, Balance Sheet and Statistical Items For the Calendar Years 1960, 1965, 1970, 1975, 1980, 1981, 1982 (Dollars in 000's)

Item	1960	1965	1970	1975	1980	1981	1982	% Change More (Less) 1981-82
Class A Companies $2,500,000 or More Operating Revenues								
No. of Companies Regulated and Included in this Data	4	4	4	4	4	4	4	
Income Items (N.C. Only):								
Residential Sales	$ 83,380	$ 112,279	$ 176,631	$ 425,940	$ 754,138	$ 866,135	$ 1,013,559	17.1
Commercial Sales	37,704	57,601	95,310	255,494	441,909	523,354	653,251	24.9
Industrial Sales	48,897	71,737	118,277	343,589	583,685	701,237	813,573	16.0
Sales for Resale	20,792	31,332	63,760	216,148	432,751	504,491	532,523	5.5
All Other Operating Revenue	6,867	12,409	16,379	26,465	53,387	47,517	68,474	44.1
Total Operating Revenue	$ 197,640	$ 285,358	$ 470,357	$ 1,267,636	$ 2,265,870	$ 2,642,734	$ 3,081,780	16.6
Expense Items (N.C. Only):								
Operating & Maintenance	$ 82,502	$ 119,869	$ 271,149	$ 688,699	$ 1,374,502	$ 1,620,213	$ 1,765,208	8.9
Depreciation & Amortization	22,973	32,310	54,666	118,286	181,696	211,207	256,683	21.5
Taxes:								
State Income Taxes	3,552	4,997	2,194	6,281	15,179	22,989	34,066	48.2
State Gross Receipts Taxes	11,592	16,589	26,912	75,007	135,011	157,503	179,204	13.8
Local Property Taxes	5,741	8,495	13,460	24,629	35,740	37,387	38,471	2.9
All Other Taxes	28,148	38,732	17,442	114,083	169,536	199,741	347,088	73.8
Total Taxes	$ 48,533	$ 68,812	$ 60,008	$ 220,000	$ 355,466	$ 417,620	$ 598,829	43.4
Total Operating Expenses	$ 156,810	$ 220,991	$ 385,823	$ 1,026,985	$ 1,911,664	$ 2,249,040	$ 2,620,720	16.5
Net Operating Revenue	$ 40,830	$ 64,367	$ 84,534	$ 240,651	$ 354,206	$ 393,694	$ 461,060	17.1
Income Items (Systemwide):								
Operating Revenue	$ 397,459	$ 571,082	$ 949,248	$ 2,568,719	$ 4,825,864	$ 5,343,373	$ 6,062,761	13.5
Operating Expense	309,888	432,958	751,909	2,032,596	3,987,765	4,364,193	4,919,724	12.7
Net Operating Revenue	87,571	138,124	197,339	536,123	838,099	979,180	1,142,537	16.7
Net Income (From All Sources)	$ 70,066	$ 100,753	$ 148,191	$ 385,487	$ 715,069	$ 778,680	$ 905,180	16.2
Shares of Common Stock Outstanding — Year End (000's)	55,246	57,732	76,521	153,728	237,495	249,428	274,340	10.0
Average Earnings Per Share — Shares at Year End (After Preferred Stock Dividends)	$ 1.17	$ 1.67	$ 1.92	$ 1.88	$ 2.38	$ 2.48	$ 2.70	8.9
Balance Sheet Items (N.C. Only):								
Utility Plant (Electric Portion Only)	$ 912,184	$ 1,325,690	$ 2,488,154	$ 5,272,237	$ 8,938,428	$ 9,414,138	$ 9,883,012	5.0
Depreciation Reserve	231,140	352,626	531,566	879,269	1,608,886	1,795,724	1,989,710	10.8
Net Utility Plant (Original Cost)	$ 681,044	$ 973,064	$ 1,956,588	$ 4,392,968	$ 7,329,542	$ 7,618,414	$ 7,893,302	3.6
Balance Sheet Items (Systemwide):								
Long-Term Debt	737,334	1,023,461	2,168,664	4,819,049	7,403,022	7,687,787	7,800,548	1.5
Total Capitalization	1,476,166	2,005,861	3,941,246	9,094,143	14,333,818	15,005,395	15,763,433	5.1
Long-Term Debt — % of Total Capitalization	49.9	51.0	55.0	52.9	51.6	51.2	49.4	(3.5)
Statistics (N.C. Unless Otherwise Noted):								
Total Customers—Yearly Average	938,705	1,065,650	1,243,389	1,454,445	1,667,661	1,702,957	1,735,912	1.9
Average No. kW's Used Per Residential Customer	5,204	6,697	9,695	11,002	12,272	12,013	6,782	(44.0)
Average Revenue per kWh— Residential Customer	1.96	1.82	1.70	3.09	4.29	4.92	5.82	18.2
No. of Employees Residing in N.C.	7,454	7,875	9,414	14,022	18,534	19,333	20,484	5.6
Wages & Salaries Paid N.C. Employees	39,146	49,359	80,612	177,550	353,390	414,835	490,832	18.3
System Sales to Ultimate Consumer (kWh's in 000's)			32,023,596	40,916,099	50,495,469	51,348,713	50,531,252	(1.6)
System Sales for Resale (kWh's in 000's)			9,089,804	11,559,681	14,907,807	15,058,069	13,783,413	(8.5)
Total Sales to Ultimate Customers and for Resale (kWh's in 000's)			41,113,400	52,475,780	65,403,276	66,406,782	64,314,665	(3.2)
Class B, C, & D Companies (Companies with Operating Revenues Under $2,500,000)								
No. of Companies Included in this Data	11	9	8	8	4	3	2	
Income Items (N.C. Only):								
Total Operating Revenue	$ 905	$ 1,197	$ 2,208	$ 5,791	$ 6,205	$ 5,747	$ 6,749	17.4
Expense Items (N.C. Only):								
Total Operating Expenses	$ 760	$ 1,014	$ 1,808	$ 4,579	$ 5,597	$ 4,714	$ 5,877	24.7
Net Operating Revenue	$ 145	$ 183	$ 400	$ 1,212	$ 608	$ 1,033	$ 872	(15.6)
Balance Sheet Items (N.C. Only):								
Utility Plant (Electric Portion Only)	$ 1,746	$ 2,320	$ 3,342	$ 8,607	$ 8,168	$ 5,459	$ 5,732	5.0
Depreciation Reserve	581	1,037	1,442	2,513	2,213	1,626	1,755	7.9
Net Utility Plant	$ 1,165	$ 1,283	$ 1,900	$ 6,094	$ 5,955	$ 3,833	$ 3,977	3.8
Statistics (N.C. Unless Otherwise Noted):								
Total Customers—Year End	7,207	8,134	10,273	12,561	7,075	5,438	5,431	(.07)
Average Revenue per kWh— Residential Customer	2.74¢	2.48¢	2.21¢	3.45¢	4.22¢	4.91¢	5.70	16.1
System Sales to Ultimate Customer (kWh's in 000's)	33,167	47,237	112,912	172,268	150,565	133,408	130,054	(2.5)

V. The Natural Gas Industry


TENNESSEE
N
W
E
S
ASHE
ALLEGHANY
SURRY
STOKES
WATAUGA
WILKES
YADKIN
MITCHELL
AVERY
YANCEY
MADISON
ALEXANDER
IREDELL
BUNCOMBE
HAYWOOD
HENDERSON
RUTHERFORD
CLEVELAND
GASTON
CABARRUS
STANL
SWAIN
GRAHAM
JACKSON
CHEROKEE
MACON
CLAY
TRANSYLVANIA
GEORGIA
SOUTH CAROLINA
UNION
ANSON
B North Carolina Natural Gas Corp.
C North Carolina Gas Service, Division of Pennsylvania & Southern Gas Co.
D Piedmont Natural Gas Company, Inc.
E Public Service Company of N.C., Inc.
Municipal Gas Systems
H — GREENVILLE, CITY OF
J — KINGS MOUNTAIN, CITY OF
K — LEXINGTON, CITY OF
L — MONROE, CITY OF
M — ROCKY MOUNT, CITY OF
N — SHELBY, CITY OF
O — WILSON, CITY OF
P — WEAVERVILLE, CITY OF

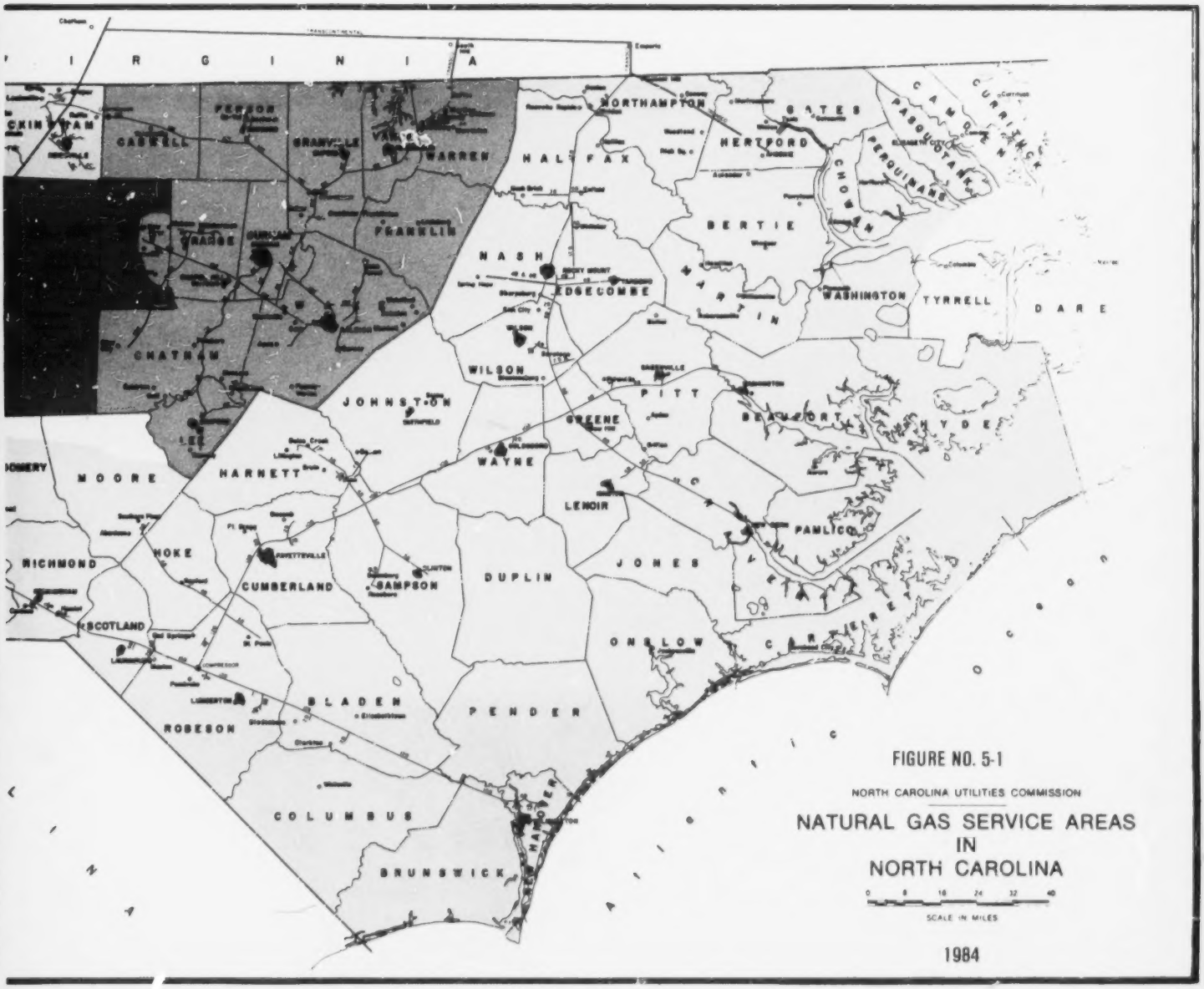


FIGURE NO. 5-1

NORTH CAROLINA UTILITIES COMMISSION

NATURAL GAS SERVICE AREAS IN NORTH CAROLINA

0 8 16 24 32 40

SCALE IN MILES

1984

FIGURE NO. 5-2

GAS COMPANIES AND MUNICIPAL GAS SYSTEMS
OPERATING IN THE STATE OF NORTH CAROLINA
AS OF 12-31-83

GAS COMPANIES—Regulated

North Carolina Natural Gas Corp.
Frank Barragan, Jr., President
Drawer 909
Fayetteville, North Carolina 28032

North Carolina Gas Service, Division of Pennsylvania & Southern Gas Co.
E.H. Lohmann, Executive Vice President
P.O. Box 779
Reidsville, North Carolina 27320

C.B. Coulter, President
Pennsylvania & Southern Gas Co.
P.O. Box 130
Sayre, Pennsylvania 18840

Piedmont Natural Gas Company, Inc.
John H. Maxheim, President
P.O. Box 33068
Charlotte, North Carolina 28233

Public Service Company of N.C., Inc.
C.E. Zeigler, President
400 Cox Road
Gastonia, North Carolina 28052

MUNICIPAL GAS SYSTEMS—Nonregulated

Bessemer City, City of
Ralph Messera
City Manager
Bessemer City, N.C.

Greenville, City of
Charles O'H. Horne, Jr.
Director of Utilities
Greenville, N.C.

Kings Mountain, City of
John Henry Moss
Mayor
Kings Mountain, N.C.

Lexington, City of
Eugene T. Morris
City Manager
Lexington, N.C.

Monroe, City of
P. Wilson Crooke
Director of Utilities
Monroe, N.C.

Rocky Mount, City of
C.W. Bateman, Jr.
Director of Utilities
Rocky Mount, N.C.

Shelby, City of
Mike Haggard
Asst. Director of Utilities
Shelby, N.C.

Wilson, City of
C.W. Whitley
Director of Utilities
Wilson, N.C.

THE NATURAL GAS INDUSTRY

A. A BRIEF HISTORY OF THE NATURAL GAS INDUSTRY

During 1981 five (5) Class A and B utility companies were under the regulation of the North Carolina Utilities Commission: North Carolina Natural Gas Corp., North Carolina Gas Service — Division of Pennsylvania & Southern Gas Co., Piedmont Natural Gas Company, Inc., Public Service Company of N.C., and United Cities Gas Company — N. C. Division. However, in 1982 Public Service Co. purchased the North Carolina Division of the United Cities Gas Co., leaving only four (4) utility companies with annual gas operating revenues in excess of $1 million.

The North Carolina companies are primarily distribution companies, purchasing their gas for resale mainly from Transcontinental Gas Pipeline Corporation (Transco), the only interstate gas pipeline operating within the State. Transco purchases natural gas from producers in Texas and Louisiana and transports it to North Carolina, where it is resold to the distributing companies at rates prescribed by the Federal Energy Regulatory Commission on the basis of three (3) rate zones based on distance from the point of production. North Carolina is in zone 2, which is bound by the Georgia-South Carolina state line on the south and Virginia-Maryland state line on the north.

The gas supplies available to North Carolina's companies are based on the amount of gas Transco has available. The supplies are allocated to distribution companies based on an end-use plan for the summer and winter seasons, if necessary. The distribution companies were able to receive their full contract for the 1981-82 seasons. Although Transco did impose some curtailment during winter seasons, because of storage availability, this had no effect on North Carolina's distribution companies' service to its customers.

Only two (2) of the distributing companies in North Carolina have operations in other states: North Carolina Gas Service, a division of Pennsylvania and Southern Gas Company and Piedmont Natural Gas Company. Under existing Federal Law, any intrastate operation of distributing companies whose purchases and sales are all made within the State are under the jurisdiction of the State, i.e., the North Carolina Utilities Commission.

During 1978 all five (5) gas companies changed their methods of purchasing and selling gas from a Thousand Cubic Feet (MCF) basis to a dekatherm (dt) basis. One dt equals approximately 1.030 MCF. One dt equals 10 therms.

B. PLANT INVESTMENT AND EXPANSION

There are more than 160 North Carolina cities and towns served by the natural gas utilities, which have a combined population in excess of 2,750,000. The natural gas companies continued limited expansion of services by investing more than $65 million in plant facilities for the years 1981 and 1982, as compared to $37 million in 1980 and $19 million in 1979. At December 31, 1982, their combined total gross investment for the State was $453,053,000. This represents an increase of 8.3% over 1981 and exceeds the customer growth for the same period.

C. GROWTH TRENDS — CUSTOMERS, REVENUES, MCF'S AND DEKATHERMS

The annual average number of natural gas utility customers increased 3.1% in 1981 over 1980 and 3.2% in 1982 over 1981. The natural gas industry is reasonably young and comparatively small in North Carolina, having been started during the 1950-1958 period. Figure No. 5-3 shows the customer growth for the years 1970, 1975-1982 by major customer classification.

Additional breakdown between industrial firm and

NATURAL GAS COMPANIES — CLASSES A & B
GROSS PLANT INVESTMENTS — YEAR-END DATA ($000's)
1963-1982

	N.C. Natural Gas Co.	Penn & Southern Gas Co.	Piedmont Natural Gas Co.	Public Serv. Co. of N.C.	United Cities Gas Co.	Totals	% Increase over Prior Year
1963	$29,325	$2,338	$ 45,175	$ 37,293	$ 672	$114,803	
1964	30,237	2,505	49,765	42,591	694	125,783	9.6
1965	31,136	2,730	55,621	48,008	705	138,200	9.9
1966	32,272	3,059	59,880	54,382	763	150,356	8.6
1967	34,353	3,360	65,384	61,963	922	165,982	10.4
1968	40,463	3,655	72,417	68,359	919	185,813	11.9
1969	44,597	3,876	79,287	74,799	1,001	203,560	9.6
1970	47,676	4,064	86,347	80,825	1,386	220,298	8.2
1971	51,691	4,366	89,675	86,047	1,623	233,402	5.9
1972	54,416	4,581	99,864	90,964	1,868	251,693	7.8
1973	56,571	4,792	107,031	95,663	2,070	266,127	5.7
1974	58,162	4,858	110,179	100,982	2,275	276,456	3.9
1975	59,981	5,304	111,973	111,602	2,402	291,262	5.4
1976	62,363	5,451	113,970	118,924	2,606	303,314	4.1
1977	64,355	5,440	117,842	123,821	2,744	314,202	3.6
1978	66,859	5,595	125,140	129,207	3,010	329,811	4.9
1979	70,393	5,826	132,120	137,009	3,211	348,559	5.7
1980	76,058	6,284	147,546	151,932	3,942	385,762	10.7
1981	82,090	6,406	160,031	165,475	4,371	418,373	8.5
1982	87,452	6,660	174,280	184,661	—	453,053	8.3
Percent Increase (Decrease)							
1981 over 1980	7.9%	1.9%	8.5%	8.9%	10.9%	8.5%	
1982 over 1981	6.5%	4.0%	8.9%	11.6%	—	8.3%	

interruptible customers is shown in the following table.

Figure No. 5-4 shows the total customer growth by regulated companies and municipal gas systems with total revenues of gas sold in MCFs and dekatherms for the years 1975, 1978-1982. The municipal's growth in customers in 1982 over 1981 was 3.0%, while the regulated utility growth for the same period was 3.2%.

Growth in revenues from the sale of gas in 1981 over 1980 for the regulated section was 32.3% and for the municipals 35.6%. However, in 1982 revenues from the sale of gas decreased .6% for the regulated section. Yet, the municipals continued growing with an increase of 6.2%. The quantity of gas sold in terms of dekatherms in 1981 over 1980 increased 2.6% for the regulated utilities and 2.3% for the municipals. However, in 1982 both the regulated and the municipal systems experienced a decrease in total dekatherms sold with 6.4% and 6.1% respectively.

Figure No. 5-5 shows the sale pattern of natural gas to ultimate type of customers in million dekatherms by the North Carolina regulated natural gas companies.

D. RESIDENTIAL BILLS, USAGE, AND COST PER MCF AND DEKATHERMS: COMPARISONS

Rates for natural gas and its usage vary widely among companies and regions rendering it extremely difficult to make meaningful comparisons. Some of the reasons for these variances are: (a) *Price*—distance from source of supply, dates pipelines were constructed, and investment costs to be recovered and capitalization to be serviced, historic rate structures of different companies, and ability of the distribution company to obtain a high system load factor ratio of actual use of a facility over a period of time compared to the full (100%) operating capacity of the facility over the same period of time, and thereby earn a lower rate on its purchased gas; (b) *Usage*—the percent relationship of space heating customers to total customers among companies and regions, weather conditions between companies and regions (a variance in temperature of a few degrees per day between areas can greatly affect the number of degree days) and the competitive relationship of natural gas to other energy sources such as fuel oil,

CUSTOMERS BY CLASSIFICATION (YEARLY AVERAGE)
(N.C. Data Only)
1966-1982

			Industrial					% Increase Over Prior Year
	Residential	Commercial	Firm	Interruptible	Total	Other* Classes	Totals	
1966	156,836	22,363			1,984	16,187	197,370	
1967	169,127	24,241			2,107	15,639	211,114	7.0
1968	182,622	26,250			2,018	17,193	228,083	8.0
1969	196,570	28,918			2,625	18,580	246,693	8.2
1970	208,712	30,572			2,789	20,213	262,286	6.3
1971	220,941	31,834	1,451	857	2,308	20,435	275,518	5.0
1972	233,746	32,409	1,429	907	2,336	21,083	289,754	3.4
1973	242,405	33,245	1,339	879	2,218	21,645	299,513	3.4
1974	251,611	34,239	1,011	872	1,883	21,820	309,553	2.6
1975	257,952	35,141	1,037	848	1,885	22,221	317,616	.5
1976	259,355	35,435	1,096	656	1,752	22,561	319,013	.8
1977	267,629	35,141	1,312	550	1,862	17,007	321,639	2.0
1978	276,273	35,559	1,543	276	1,819	14,444	328,095	1.5
1979	280,289	36,162	1,561	248	1,809	14,794	333,054	4.9
1980	294,343	37,904	1,617	294	1,911	15,140	349,298	4.8
1981	306,436	39,667	1,724	283	2,007	15,212	363,322	4.0
1982	314,108	40,624	1,760	266	2,026	14,962	371,720	2.3
Percent Increase (Decrease)								
1981 over 1980	4.1%	4.6%	6	(3.7%)	5.0%	1.0%	4.0%	
1982 over 1981	2.5%	2.4%	2	(6.0%)	(1.0%)	(1.6%)	2.3%	

*Includes public housing units rather than meters.

electricity, and coal; (c) *Saturation of Customers* — i.e., the number of customers per mile of gas mains.

Some average annual usages and (MCF and dekatherms) cost data for the North Carolina natural gas companies and seven (7) natural gas companies located in various sections of the United States are shown in Figure No. 5-6. The data indicates North Carolina customers are somewhere in the lower middle range of the seven (7) companies shown. Due primarily to a generally mild climate, the North Carolina companies usage tends to be lower than the national average.

E. INDUSTRIAL SALES VOLUME

Industrial sales increased to 82 million from 81 million in 1981, for an increase of 1.2%. However, in 1982 there was a 9.8% decrease with only 75 million industrial sales. Total industrial sales of MCFs and dekatherms accounted for 55.6% of total natural gas sales in North Carolina by the regulated natural gas companies. In 1982 firm industrial sales decreased 25% over 1981 and interruptible sales increased 75% for the same period.

See Figure No. 5-7 for a summary of natural gas MCFs and dekatherms sold, revenues, and customers by classifications with percent of totals shown for industrial customers.

F. RATE CHANGES — GAS TRACKINGS

General Rate Increases. A portion of the revenue increases in 1981 and 1982 reflects the general rate increases approved by the Commission for the companies listed below:

Gas Tracking Activity — Price Changes

Pursuant to authority granted to the Utilities Commission in G.S. 62-133 by the 1971 General Assembly, the Commission in Docket No. G-100, Sub 14, established procedures under which gas companies in North Carolina could pass on to their customers wholesale increases in the cost of gas to them by their pipeline suppliers. This tracking authority has reduced the amount and number of general rate cases filed with the Commission during the years since 1972 and reduced the lag time the companies would have experienced in recouping the increased gas costs which have a direct impact on the companies' level of earnings.

The gas trackings increases approved by the Commission for the calendar years 1981 and 1982 are found on the following page.

Gas Tracking Activity — Special

These gas trackings can be both increases or decreases in the cost of wholesale gas from Transco. The distributing companies maintain a "deferred" account in which the changes in cost of gas from the filed tariff rate are accounted for, and at an appropriate time applications to recover or refund the net effect are made with the Commission, with the exception of N. C. Natural Gas Company's rate schedule 7 (C. F. Industries, Inc.) which by contract is adjusted for changes in the cost of wholesale gas each time Transco submits a rate change. As shown on the next page, there was one such adjustment for each of the years 1981 and 1982.

During 1978 all five (5) gas companies changed their methods of purchasing and selling gas from a Thousand Cubic Feet (MCF) basis to a dekatherm (dt) basis. One dt equals approximately 1.030 MCF. One dt equals 10 therms.

The tracking proceedings under which these passons are allowed involves filing of data by gas utilities essentially in the same format as filing for general rate proceedings. This data is reviewed and analyzed by both the Commission and Public Staff's Engineering and Accounting divisions, and because of the frequency of their filing during the 1973-1980 period, each year consumed the equivalent of seven man-months staff time from these divisions.

Curtailment Tracking Adjustment Activity. During 1976 the Commission granted approval for all

GENERAL RATE INCREASES APPROVED
GAS COMPANIES
For the Years 1981 & 1982

Company	Date Filed	Docket Number	Amount Requested ($000's)	Amount Approved ($000's)	Date of Final Order
1981					
Penn & Southern Gas Co. (N.C. Division)	4-02-81	G-3, Sub 103	$ 843	$ 445	11-02-81
Public Service Co. of N.C.	6-10-80	G-5, Sub 157	7,510	4,301	1-12-81
United Cities Gas Co.	4-13-81	G-1, Sub 85	448	448	11-13-81
1982					
Piedmont Natural Gas	6-26-81	G-9, Sub 212	$12,670	$9,173	2-02-82
Piedmont Natural Gas	4-30-82	G-9, Sub 219	6,183	4,574	11-30-82
Public Service Co. of N.C.	10-20-81	G-5, Sub 168	12,544	9,868	5-14-82

GAS TRACKING INCREASES APPROVED — GENERAL
Calendar Years 1981-1982

Company	Docket No.	No. of Filings	Estimated Amount Approved	Increase Per Dekatherm
1981				
N.C. Gas Service (Penn & Southern)	G-3, Subs 95, 101, 102	4	$ 852,005	43.82¢
N.C. Natural Gas	G-21, Subs 212, 215, 218, 221	6	12,634,455	35.06¢
Piedmont Natural	G-9, Subs 206, 207, 213, 214	6	21,942,667	46.18¢
Public Service	G-5, Subs 161, 163, 167	6	15,346,872	42.12¢
United Cities	G-1, Subs 83, 84, 88	4	258,374	29.90¢
Totals			$ 51,034,373	
1982				
N.C. Gas Service (Penn & Southern)	G-3, Subs 107, 108, 110, 111, 112, 113	7	$ 2,168,000	89.11¢
N.C. Natural Gas	G-21, Subs 215, 224, 228, 230, 232	7	39,402,249	140.84¢
Piedmont Natural	G-9, Subs 218, 220, 223, 224, 226, 227	8	54,349,240	118.93¢
Public Service	G-5, Subs 161, 171, 176, 178, 180	8	40,811,732	93.82¢
United Cities	G-1, Subs 90, 91, 92	4	631,082	67.30¢
Totals			$137,362,203	

the gas utilities to file curtailment tracking mechanisms such that the gas utilities' margin (difference in revenues and cost of gas plus gross receipts tax) was "fixed" in the general rate case. These mechanisms protected the gas utility from fluctuating changes in supply volumes. As the available supply of natural gas increased, the increased margin generated by increased sales to customers increased, thus allowing rates to be lowered to all customers such that the companies' margin remained fixed with all customers benefiting. As volumes decreased the gas utility simply raised all customers rates such that the margin remained constant. The mechanisms as described allowed interim adjustments to rates such that the gas utility did not have to file constant general rate cases to take care of the volatile fluctuations in gas supply.

Industrial Sales Tracker (IST). The Industrial Sales Tracker implemented for Public Service Company and N.C. Natural Gas in their last prospective rate cases are modified curtailment tracking mechanisms which collect revenues from those industrial customers who have heavy fuel oil as an alternate fuel and refund it to the high priority market. This mechanism was proposed by the Public Staff so that the gas utilities could negotiate the sale of industrial natural gas and benefit all other customers. As industrial sales increase the rates to all other customers is lowered and by the same token if industrial natural gas sales decrease the rate to all other customers will increase. This mechanism was begun in 1983 for the two gas utilities as mentioned earlier.

Decreases in the amount of available gas results in an increased CTA rate while increases result in a decreased CTA rate. Changes in the available gas from the base year volumes due to emergency gas purchases, exploration and development gas entering the pipeline, and revised allocations from Transco will inversely change the CTA base year volumes and the CTA rate will be adjusted accordingly.

Curtailment tracking adjustments that were filed in 1981 and 1982 are shown on the following page.

Emergency Purchases

Section 2.68 of the Natural Gas Act provides for the purchase of "Emergency Gas" by North Carolina distributors from sources other than Transco. This gas is not subject to regulation by the Federal Energy Regulatory Commission (FERC), the successor to the Federal Power Commission (FPC), but the excess cost of this gas over Transco's pipeline or CD-2 gas

GAS TRACKING INCREASES APPROVED — SPECIAL
(C. F. Industries, Inc. — Only Customer Affected)
Calendar Years 1981-1982

		No. of Filings	Increase Per Dekatherm
1981			
N.C. Natural Gas	G-21, Subs 213, 219, 221, 222	6	23.13¢
1982			
N.C. Natural Gas	G-21, Subs 222, 225, 229, 231, 233, 216	7	76.28¢

CURTAILMENT TRACKING INCREASES/DECREASES APPROVED
Calendar Years 1981-1982

Company	Docket No.	No. of Filings	Estimated Revenue Approved
1981			
N.C. Natural Gas	G-21, Sub 177D	2	$(8,830,613)
1982			
N.C. Natural Gas	G-21, Sub 177E	1	$(2,554,960)

can be recovered from the users only through prior approval by the North Carolina Utilities Commission.

Emergency gas purchases are those natural gas purchases under the emergency purchase provisions of Section 157, Sub-part C, of the Rules and Regulations of the Federal Energy Regulatory Commission. The North Carolina Utilities Commission determined that the proceeds from the sale of this gas would be first used to pay any gas receipt taxes or other applicable taxes relating to the purchase and/or sale of such gas; secondly, the proceeds would be next used to pay the cost of such gas, including interest incurred by the distribution company from the date of payment to the date of collection of the sales price for such gas from the companies' customers; thirdly, all or a certain percent of the remainder will be used to adjust the CTA rate downward for the benefit of the ratepayers and the rest will be used for the benefit of the stockholders. The supplies of gas available to North Carolina customers had increased to the extent that no purchases of emergency gas were necessary during the 1981-82 years.

Exploration and Development Trackings (E & D)

In September of 1980, the N.C. Utilities Commission terminated the ratepayers participation in the E & D programs. Supplies of natural gas have begun to increase, thereby warranting less supplemental supplies of natural gas.

As shown in the chart below, North Carolina has expended some $39,371,884 over the life of the E & D programs. This dollar amount is a net figure derived from adding the ratepayers' portion of expenditures in Column 1, the over- or under-collection in Column 2, the value of recoveries (gain from sale of E & D gas) in Column 3, and the tax savings in Column 4. The result is the amount expended in the E & D programs by ratepayers over the applicable period shown. The net effect of the termination of the programs is that the expenditures decrease and the value of recoveries increase, thus netting down the total cost to be recovered from ratepayers. The program currently is providing refunds to those customers who were being served as of September 1980. These refunds will continue as long as net revenues are being received from the sale of gas produced as a result of the E & D program.

G. NATURAL GAS PIPELINE SAFETY

On August 12, 1968, the United States Congress passed Public Law 90-481, better known as the Natural Gas Pipeline Safety Act of 1968. This Act authorized the Secretary of Transportation to administer this law, develop standards, and regulate

EXPLORATION AND DEVELOPMENT TRACKING
Expenditures and Their Recoveries Through Tracking Increases
June 1975-December 1982

Company	N.C. Ratepayers Gross Costs (75% of Total)	Adjustments — Add or (Deduct) From Previous Filings	Value of Recoveries	Tax Savings	Net Costs To Be Recovered
N.C. Gas Service[1]	$ 713,552	$ (60,123)	$ (206,768)	$ 94,018	$ 540,679
N.C. Natural	18,684,331	(765,812)	(7,173,137)	1,808,194	12,553,576
Piedmont Natural	17,477,337	(1,084,323)	(5,510,425)	46,278	10,928,867
Public Service[2]	22,991,660	(470,378)	(8,059,414)	263,448	14,725,316
United Cities[3]	868,971	(297,531)	(140,899)	192,905	623,446
Total	$60,735,851	$(2,678,167)	$(21,090,643)	$2,404,843	$39,371,884

[1]Through March, 1982
[2]Through June, 1982
[3]Through September, 1981, Public Service acquired United Cities Gas Company at this point in time.

enforcement of such standards for the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities. Section 5a of this Act authorized each state to regulate these minimum standards through certification to the Secretary of Transportation providing certain provisions were met by each state.

Section 62-50 (Safety Standards of Interstate and Intrastate Natural Gas Pipelines) was enacted as Chapter 1134 of the 1967 Session Laws and became effective January 1, 1968. In the 1969 Legislature, an amendment was added to Section 62-50 of the General Statutes which authorized the North Carolina Utilities Commission to administer a state program pertaining to the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities used to transport natural gas in North Carolina.

The Gas Pipeline Safety Section of the North Carolina Utilities Commission has been given the responsibility of developing and implementing this program. Section 62-50 of the North Carolina General Statutes is far reaching and affects directly or indirectly all persons who distribute or use natural gas in North Carolina.

The procedures and standards adopted by the North Carolina Utilities Commission as authorized under Section 62-50 is known as the North Carolina Gas Pipeline Safety Code. This code is a mandatory requirement under State law and noncompliance by any persons engaged in the transportation of gas or who own or operate pipeline facilities is subject to a civil penalty not to exceed $1,000 per each violation for each day that such violation persists, except that the maximum civil penalty shall not exceed $200,000 for any related series of violations. The law also provides authority for the Commission to file suit to restrain violations of the Code including the restraint of transportation of gas for the operation of the pipeine facilities.

The North Carolina Gas Pipeline Safety Code is comprised of three basic sections; Part 191 (Report of Leaks), and Part 192 (Minimum Federal Safety Standards), and Part 193 (Liquified Natural Gas Facilities). In order to comply with the certification of the Secretary of Transportation, the Commission must adopt as part of its Code all Minimum Federal Safety Standards under Part 192 and Part 193, but if deemed necessary, may implement more stringent safety standards than the Minimum Federal Safety Standards.

There are four (4) major gas utilities in North Carolina, along with eight (8) municipal gas systems. In addition the 1979 session of the North Carolina General Assembly gave the Utilities Commission jurisdiction over master meter operations. This added 168 additional distribution systems to the already existing 175, bringing the total to 343 systems which must be inspected for compliance with the North Carolina Gas Pipeline Safety Code. Connecting and within these systems are 1,550 miles of transmission mains and 10,302 miles of distribution mains.

During 1981 the Gas Pipeline Safety Section of the Commission Staff spent 481 days inspecting the pipeline facilities in North Carolina with 173 major violations detected. By the end of the year, 122 of these violations had been corrected. In 1981 there was a decrease in the number of pipeline accidents in North Carolina. The only one investigated was caused by lightning resulting in $10,000 property damage to a house. The cost of conducting the pipeline safety program for 1981 was $177,966 of which $88,983, or 50% was reimbursed to the North Carolina Utilities Commission by the United States Department of Transportation.

During 1982 the staff spent 413 days inspecting 54 distribution systems and transmission lines in North Carolina. There were 115 violations detected, and by the end of the year, 89 had been corrected. The Staff conducted 4 seminars for the Master Meter Operators. There were three (3) accidents investigated during 1982 which resulted in deaths of 3 persons with 2 injuries which required hospitalization. Property damage amounted to $46,000. The cost of conducting the program for 1982 was $173,354 of which $55,506 was refunded to the State by the U.S. Department of Transportation.

H. SOURCE AND DISPOSITION OF THE GAS REVENUE DOLLAR

Both the source and disposition of the 1981 and 1982 gas revenue dollar are shown by the two (2) pie charts on Figure No. 5-8.

Shown below is a comparison chart reflecting both source and disposition of gas revenue dollar for the years 1979-1982.

SOURCE AND DISPOSITION OF THE GAS OPERATING REVENUE DOLLAR
(N.C. Data Only)
For the Years 1979-1982

	1979	1980	1981	1982
Source:				
Residential	28%	24%	23%	25%
Commercial	17	16	16	18
Industrial	35	48	41	39
Interruptible	15	7	15	13
Other	5	5	5	5
Total	100%	100%	100%	100%

Note: The revenue dollar includes other net income and deductions, including interest charged during construction.

Disposition:				
Cost of Purchased Gas	68%	75%	76%	76%
Other Operating Expenses	10	8	7	9
Depreciation & Amortization	3	2	2	2
Income Taxes	4	3	1	1
General Taxes	7	7	7	7
Interest & Other Deductions	3	2	3	2
Dividends	3	2	2	2
Retained Earnings	2	1	2	1
Total	100%	100%	100%	100%

I. STATISTICAL SUMMARY DATA

Gross operating revenues increased 32.3% in 1981 over 1980 and decreased .5% in 1982. The 1982 total gross operating revenues were more than $643 million. Similarly, operating expenses increased 33.1% in 1981 over 1980 and decreased .3% in 1982. In 1981 net operating revenue was 5% of total operating revenues, and in 1982 it increased slightly to 5.1% of total operating revenues.

Interest on long-term debt decreased 5.8% in 1981 and increased 4.3% in 1982. Net income showed an increase of 21.1% in 1981 and a decrease of 10.5% in 1982. Earnings per common share outstanding increased in 1981 from $2.37 to $2.56 (8%) and decreased in 1982 to $2.15 (16.0%). During 1981 the average number of common shares outstanding increased 7.1% and decreased 6% in 1982.

Average number of full-time employees increased in 1981 by 265 or 12.8% and decreased in 1982 by 45 or (1.9%). The total wages paid these 2287 employees increased by 10.8% to $41,648,000. See Figure No. 5-9 for additional financial and operating statistical data.

FIGURE NO. 5-3

GAS COMPANIES — CUSTOMER GROWTH BY CLASSES
(North Carolina Data Only — Annual Average Shown)
1970, 1975-1982

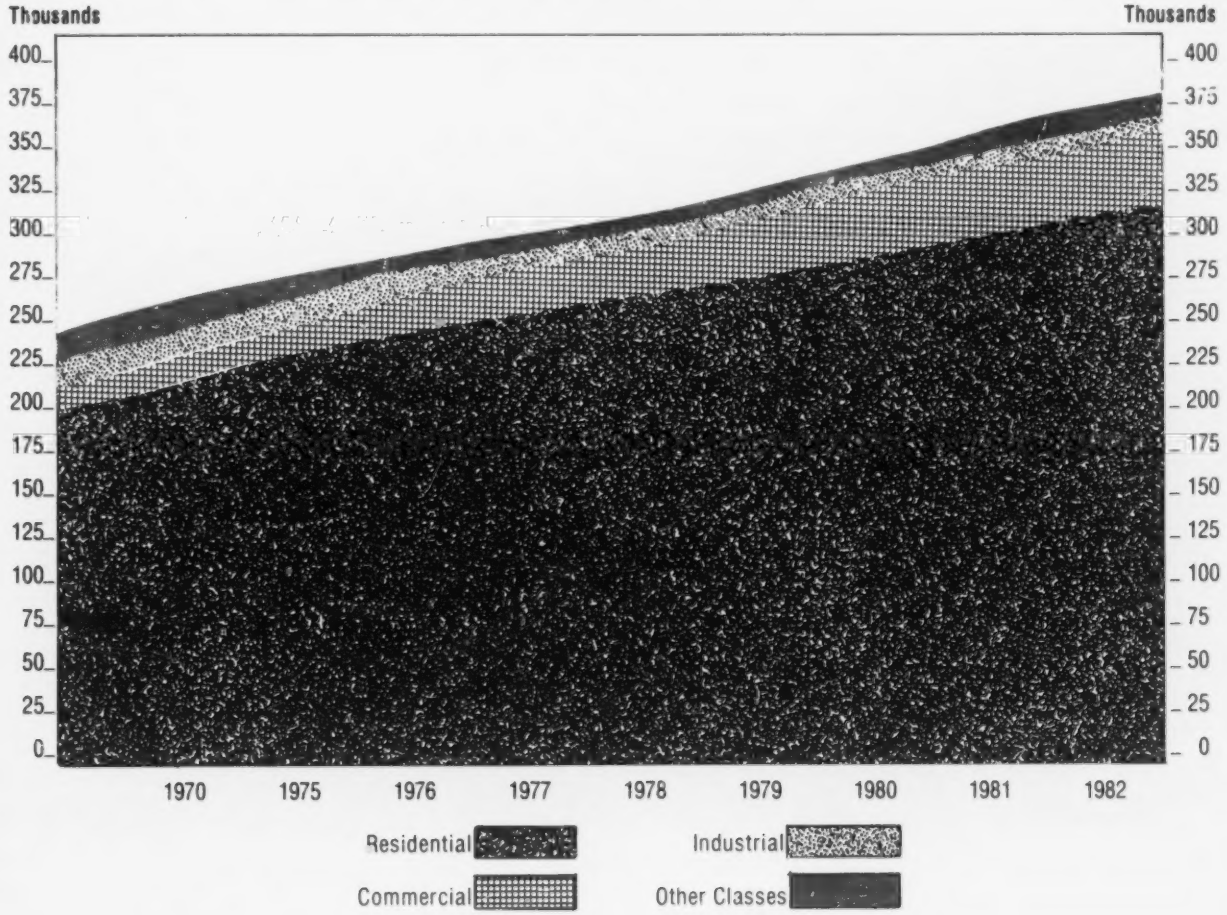


FIGURE NO. 5-4

REGULATED AND MUNICIPAL GAS SYSTEMS

Number of Customers, Total Revenue from Sales of Gas and Total MCFs and Dekatherms Sold
For the Years 1975, 1978, 1979, 1980, 1981, 1982

Regulated Utilities	Number of Customers—Yearly Average[1] — N.C. Data Only 1975	1978	1979	1980	1981	1982	% Increase (decrease) 1981 over 1980	% Increase (decrease) 1982 over 1981
Class A & B:								
North Carolina Natural Gas	$ 50,150	$ 54,821	$ 55,302	$ 58,082	$ 60,830	$ 62,439	4.7	2.6
North Carolina Gas Serv. (Penn & So.)	8,220	8,304	8,670	8,739	8,772	8,817	.4	.5
Piedmont Natural Gas	137,461	140,265	141,297	147,743	153,007	157,616	3.6	3.0
Public Service Co.	116,198	122,030	125,030	131,787	137,542	142,848	4.4	3.9
United Cities Gas	2,534	2,675	2,755	2,947	N/A	—	—	—
Total — Regulated Utilities	$ 314,563	$ 328,095	$ 333,054	$ 349,298	$ 360,151	$ 371,720	3.1	3.2
Municipals:[2]								
Bessemer City	$ 508	$ 452	$ 376	$ 354	$ 562	$ 569	58.8	1.2
Greenville, City of	4,687	3,622	3,580	3,456	3,686	3,997	6.7	8.4
Kings Mountain, City of	1,637	1,547	1,735	1,767	1,767	1,674	—	(5.3)
Lexington, City of	4,354	4,245	4,256	4,369	4,431	4,451	1.4	.5
Monroe, City of	2,419	2,257	2,247	2,361	1,795	1,965	(31.5)	9.5
Rocky Mount, City of	7,460	7,902	7,903	8,195	8,355	8,629	2.0	3.3
Shelby, City of	3,767	3,744	3,906	3,684	3,990	4,117	8.3	3.4
Wilson, City of	5,442	5,835	5,804	5,873	6,025	6,123	2.6	1.6
Total — Municipals	$ 30,274	$ 29,604	$ 29,807	$ 30,059	$ 30,611	$ 31,525	1.8	3.0
GRAND TOTALS — ALL GAS SYSTEMS	$ 344,837	$ 357,699	$ 362,861	379,357	$ 390,762	$ 403,245	3.0	3.2

[1]Public Housing Units counted as customers, amounts for Municipal Gas are year end figures.
[2]Municipal Data for fiscal years ending June 30.

Regulated Utilities	Total Revenue From Sales of Gas — N.C. Data Only 1975	1978	1979	1980	1981	1982	% Increase (decrease) 1981 over 1980	% Increase (decrease) 1982 over 1981
Class A & B:								
North Carolina Natural Gas	$ 42,986	$ 56,669	$ 91,263	$ 137,056	$ 185,632	$ 179,592	35.4	(3.3)
North Carolina Gas Serv. (Penn & So.)	3,166	5,139	6,754	9,642	12,800	11,389	32.8	(11.0)
Piedmont Natural Gas	59,831	81,207	127,198	179,421	232,347	239,555	29.5	3.0
Public Service Co.	52,053	79,095	115,633	158,891	210,184	211,509	37.4	.6
United Cities Gas	1,096	1,732	2,512	3,011	4,695	—	55.9	—
Total — Regulated Utilities	$ 159,132	$ 223,842	$ 343,360	$ 488,021	$ 645,658	$ 642,045	32.3	(.6)
Municipals:[1]								
Bessemer City	$ 301	$ 601	$ 751	$ 1,023	$ 1,439	$ 1,491	40.7	3.6
Greenville, City of	1,145	1,901	2,668	3,660	4,466	4,797	22.0	7.4
Kings Mountain, City of	947	1,455	2,052	2,817	3,810	3,921	35.3	.30
Lexington, City of	1,930	3,445	4,287	6,759	9,043	9,009	33.8	(.38)
Monroe, City of	1,001	1,924	1,992	3,078	4,469	4,947	45.2	10.7
Rocky Mount, City of	2,715	4,482	4,323	8,563	10,703	11,768	25.0	10.0
Shelby, City of	2,338	3,508	5,149	8,649	12,554	13,110	45.1	4.4
Wilson, City of	1,399	2,349	2,503	2,883	4,263	4,855	47.9	13.9
Total — Municipals	$ 11,776	$ 19,665	$ 23,725	$ 37,432	$ 50,747	$ 53,898	35.6	6.2
GRAND TOTALS — ALL GAS SYSTEMS	$ 170,908	$ 243,507	$ 367,085	$ 525,453	$ 696,405	$ 695,943	32.5	(.6)

[1]Municipal Data for fiscal years ending June 30

FIGURE NO. 5-4 (Continued)

REGULATED AND MUNICIPAL GAS SYSTEMS

Number of Customers, Total Revenue from Sales of Gas and Total MCFs and Dekatherms Sold
For the Years 1975, 1978, 1979, 1980, 1981, 1982
Total MCF's and Dekatherms Sold

Regulated Utilities	MCF's and Dekatherms (000's) 1975	1978	1979	1980	1981	1982
Class A & B:						
North Carolina Natural Gas	$ 30,763	$ 22,844	$ 34,676	$ 41,947	$ 44,404	$ 41,296
North Carolina Gas Serv. (Penn & So.)	1,898	1,751	2,287	2,672	2,571	2,166
Piedmont Natural Gas	34,822	28,242	42,657	48,991	49,737	47,654
Public Service Co.	30,490	25,701	37,727	43,942	44,368	41,863
United Cities Gas	576	533	835	868	961	—
Total — Regulated Utilities	$ 98,549	$ 79,071	$ 118,182	$ 138,420	$ 142,041	$ 132,979
Municipals:[2]						
Bessemer City	$ 290	$ 338	$ 329	$ 379	$ 380	$ 363
Greenville, City of	600	519	747	940	849	871
Kings Mountain, City of	980	888	1,012	1,008	972	870
Lexington, City of	2,024	2,312	2,470	2,609	2,448	2,203
Monroe, City of	670	662	615	878	973	943
Rocky Mount, City of	1,608	1,462	1,417	2,170	2,322	2,317
Shelby, City of	2,760	2,372	2,882	3,553	3,438	3,335
Wilson, City of	782	742	753	853	874	952
Total — Municipals	$ 9,714	$ 9,295	$ 10,225	$ 12,390	$ 12,256	$ 11,854
GRAND TOTALS — ALL GAS SYSTEMS	$ 108,263	$ 88,366	$ 128,407	$ 150,810	$ 154,297	$ 144,833

[1]Sales for period 1975 shown in MCF's. Sales from 1978 shown in Dekatherms. (DT's). Dekatherm = 1.030 MCF's.
[2]Municipal Data for fiscal years ending June 30.

FIGURE NO. 5-5

GAS COMPANY ENERGY SALES BY CLASSES TO ULTIMATE CONSUMERS
(Millions of Dekatherms — North Carolina Data Only)
1979, 1980, 1981, 1982

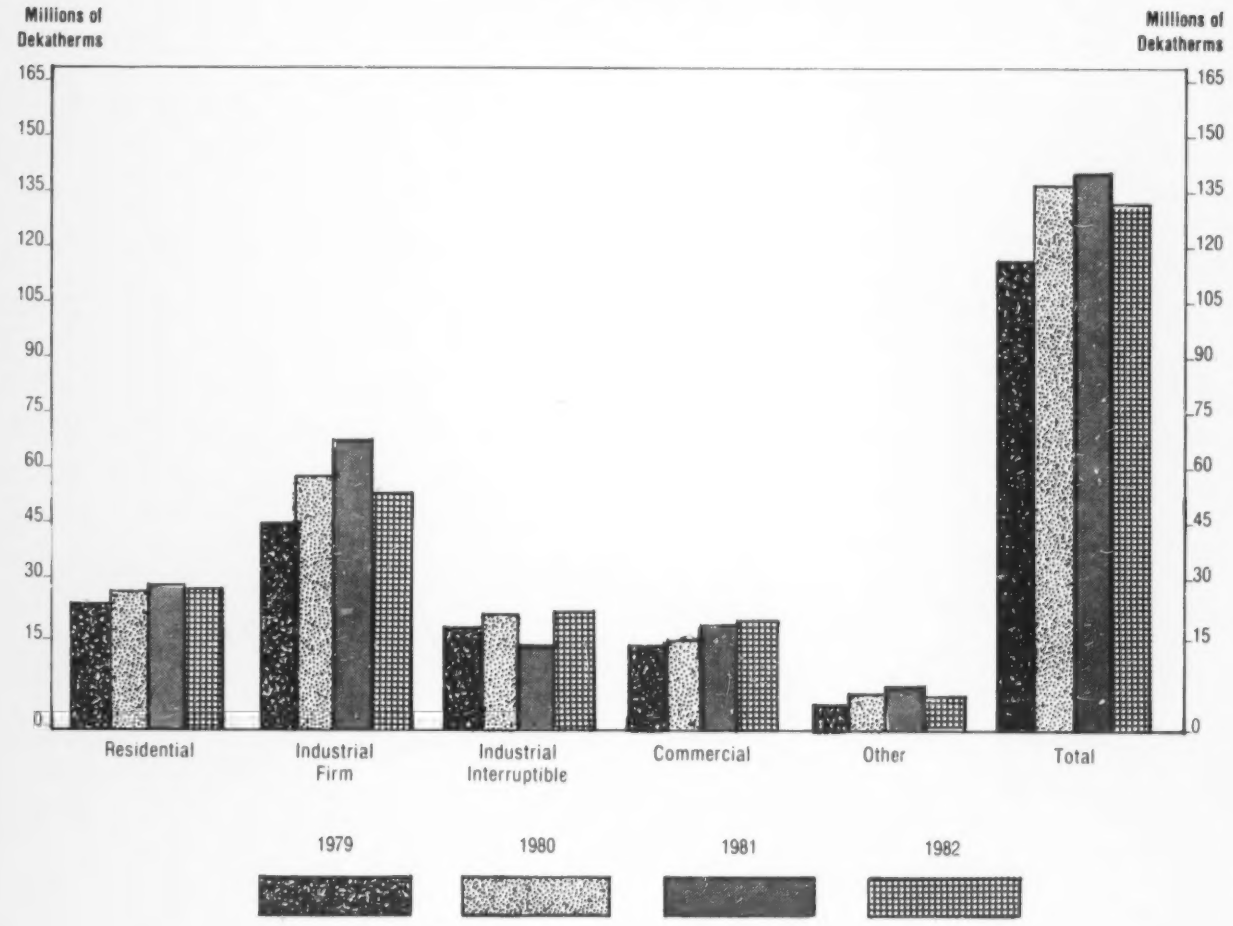


FIGURE NO. 5-6

RESIDENTIAL NATURAL GAS CUSTOMERS AVERAGE ANNUAL USAGE AND COST DATA (MCF and DT)

N.C. and Selected Gas Companies Outside N.C.
For the Years 1965, 1970, 1975, 1980, 1981, 1982

Company	Use—MCF & DT[1]						Rate per MCF or DT						Total Cost					
	1965	1970	1975	1980	1981	1982	1965	1970	1975	1980	1981	1982	1965	1970	1975	1980	1981	1982
N.C. Gas Companies (N.C. Data Only):																		
N.C. Natural Gas Corp.	72	89	77	79	79	74	$ 1.72	$ 1.55	$ 2.02	$ 4.04	$ 4.87	$ 5.16	$ 123.18	$ 137.95	$ 155.54	$ 319.16	$ 384.73	$ 381.84
Penn. & Southern Gas	121	138	116	92	97	85	1.08	1.00	1.79	4.11	5.48	5.80	131.25	138.00	207.64	378.12	531.56	493.00
Piedmont Natural Gas	99	124	97	106	101	96	1.34	1.46	1.99	4.07	5.07	5.63	132.56	181.04	193.03	431.42	512.07	540.48
Public Service Gas Co.	94	115	98	95	94	88	1.45	1.39	2.15	4.11	5.19	5.67	136.28	159.85	210.70	390.45	493.05	498.96
United Cities Gas	68	93	88	89	N/A	—	1.72	1.53	2.40	4.18	N/A	—	117.05	142.29	211.20	372.02	N/A	—
Weighted Average	93	116	95	97	100	89	$ 1.41	$ 1.32	$ 2.05	$ 4.08	$ 4.79	$ 5.99	$ 131.44	$ 141.98	$ 194.75	$ 395.76	$ 479.00	$ 497.51
Gas Companies Outside N.C. (Systemwide Data):[2]																		
Alabama Gas Co.	100	120	91	93	90	86	$ 1.13	$ 1.09	$ 1.72	$ 4.01	$ 4.39	$ 5.16	$ 113.00	$ 130.80	$ 156.52	$ 372.93	$ 395.10	$ 443.76
Arkansas Western Gas	131	139	114	105	95	103	.73	.82	1.12	2.59	3.21	3.39	95.63	113.98	127.68	271.95	304.95	349.17
Indiana Gas	165	170	160	144	135	140	.89	1.06	1.37	2.95	3.56	3.92	146.85	180.20	219.20	424.80	480.60	548.80
Fall River Gas	76	93	86	93	95	94	1.87	1.75	3.61	5.03	6.63	7.71	142.12	162.75	310.46	467.79	629.85	724.74
Haverhill Gas	83	110	93	89	92	96	1.81	1.73	2.93	5.26	6.27	7.26	150.23	190.30	272.49	468.14	576.84	696.96
Mississippi Valley Gas	102	102	87	90	86	83	.84	.88	1.41	3.30	3.60	4.23	85.68	89.76	122.67	297.00	309.60	351.09
Washington Natural Gas	115	124	122	97	84	92	1.35	1.27	2.12	4.92	5.63	6.58	155.25	157.48	258.64	477.24	472.92	605.36
National Average[3]	117	129	122	115	111	104	$ 1.00	$ 1.06	$ 1.69	$ 3.17	$ 3.61	$ 4.18	$ 117.00	$ 133.18	$ 206.18	$ 364.55	$ 400.71	$ 434.74

[1]1980-82 use shown in Dekatherms, 1965-1975 use shown in MCF's
[2]Source — Company annual stockholder's reports
[3]Source — Gas Facts — edition for years shown

FIGURE NO. 5-7

SUMMARY OF NATURAL GAS SALES OF MCF's (1975) AND DEKATHERMS (1979-1982) REVENUES AND CUSTOMERS BY CLASSIFICATION WITH PERCENT OF TOTALS SHOWN FOR INDUSTRIAL CUSTOMERS (N.C. Data Only)

Calendar Years 1970, 1975, 1979, 1980, 1981, 1982

Sales—MCFs DTs (000's)	1970	% of Total	1975	% of Total	1979	% of Total	1980	% of Total	1981	% of Total	1982	% of Total
Residential	23,687	17.8	24,458	24.8	27,275	23.1	28,563	20.7	29,172	20.6	28,001	21.1
Commercial	14,889	11.2	15,867	16.1	19,275	16.3	20,946	15.1	22,489	15.9	22,631	17.0
Other	6,344	4.8	6,768	6.9	6,542	5.5	7,320	5.3	7,571	5.3	7,287	5.5
Total	44,920	33.8	47,093	47.8	53,092	44.9	56,829	41.1	59,232	41.8	57,919	43.6
Industrial—Firm	22,538	16.9	15,166	15.4	45,102	38.2	59,078	42.7	69,803	49.3	52,233	39.3
Industrial—Interruptible	65,586	49.3	36,290	36.8	19,988	16.9	22,513	16.2	12,607	8.9	22,827	17.2
Total Industrial	88,124	66.2	51,456	52.2	65,090	55.1	81,591	58.9	82,410	58.2	75,060	56.3
Total Sales	133,044	100.0	98,549	100.0	118,182	100.0	138,420	100.0	141,642	100.0	132,979	100.0
Revenues: (000's)												
Residential	$ 31,217	31.7	$ 49,823	31.3	$ 95,643	27.9	$116,671	24.0	$148,953	23.1	$156,546	24.4
Commercial	16,295	16.6	28,308	17.8	59,531	17.3	77,797	15.9	106,039	16.4	115,716	18.0
Other	6,126	6.2	9,400	5.9	17,050	5.0	24,096	4.9	31,852	5.0	33,236	5.2
Total	53,638	54.5	87,531	55.0	172,224	50.2	218,564	44.8	286,844	44.4	305,498	47.6
Industrial—Firm	13,828	14.1	37,711	23.7	118,575	34.5	235,115	48.2	263,776	40.8	250,393	39.0
Industrial—Interruptible	30,892	31.4	33,890	21.3	52,561	15.3	34,342	7.0	95,038	14.7	86,155	13.4
Total Industrial	44,720	45.5	71,601	45.0	171,136	49.8	268,457	55.2	358,814	55.6	336,548	52.4
Total Revenues	$ 98,358	100.0	$159,132	100.0	$343,360	100.0	$488,021	100.0	$645,658	100.0	$642,046	100.0
Customers: (Annual Average)												
Residential	208,712	79.6	255,339	81.2	280,289	84.2	294,343	84.3	306,436	84.3	314,108	84.5
Commercial	30,572	11.7	35,141	11.2	36,162	10.9	37,904	10.8	39,667	10.6	40,624	10.9
Other	20,213	7.7	22,221	7.0	14,794	4.4	15,140	4.3	15,212	4.1	14,962	4.0
Total	259,497	99.0	312,701	99.4	331,245	99.5	347,387	99.4	361,315	99.4	369,694	99.5
Industrial—Firm	1,352	.5	1,031	.3	1,561	.4	1,617	.5	1,724	.4	1,760	.5
Industrial—Interruptible	1,437	.5	831	.3	248	.1	294	.1	283	.1	266	.1
Total Industrial	2,789	1.0	1,862	.6	1,809	.5	1,911	.6	2,007	.5	2,026	.5
Total Customers	262,286	100.0	314,563	100.0	333,054	100.0	349,298	100.0	363,322	100.0	371,720	100.0

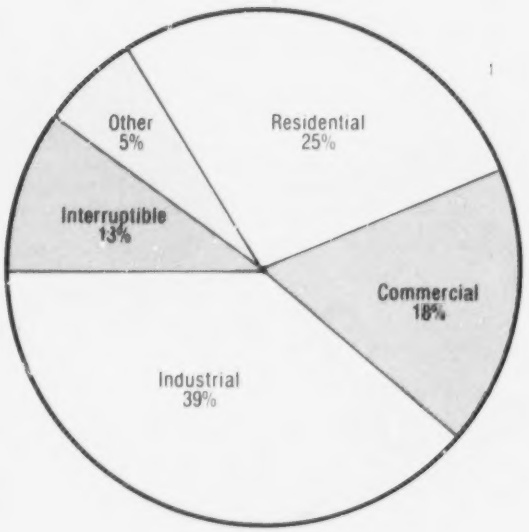
Dekatherms = 1.030 MCF

FIGURE NO. 5-8

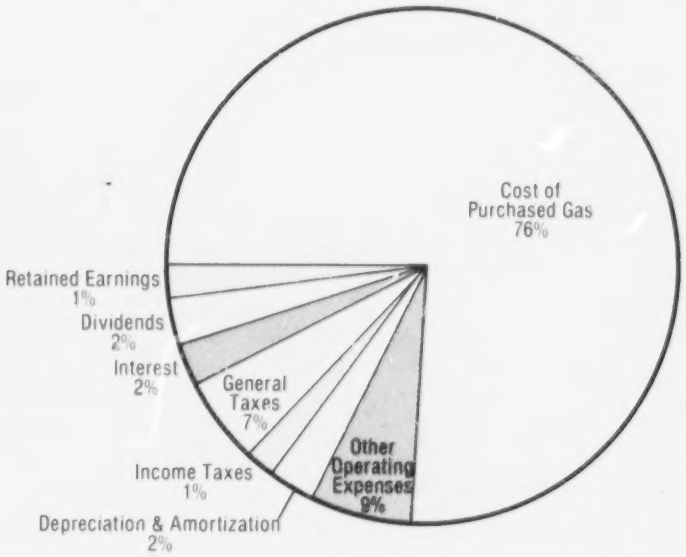
SOURCE AND DISPOSITION OF THE REVENUE DOLLAR
GAS COMPANIES
NORTH CAROLINA DATA ONLY

December 31, 1982

SOURCE

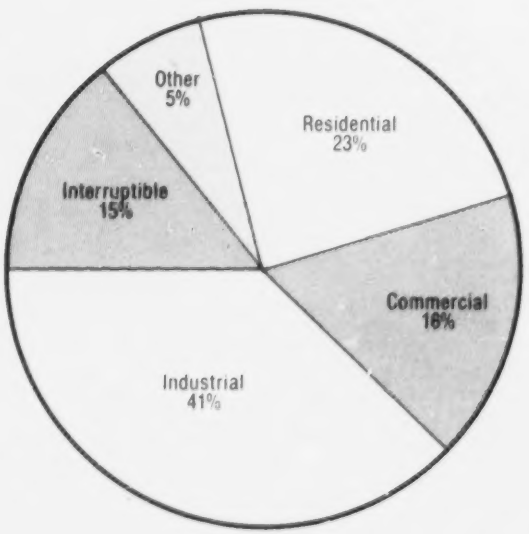


DISPOSITION

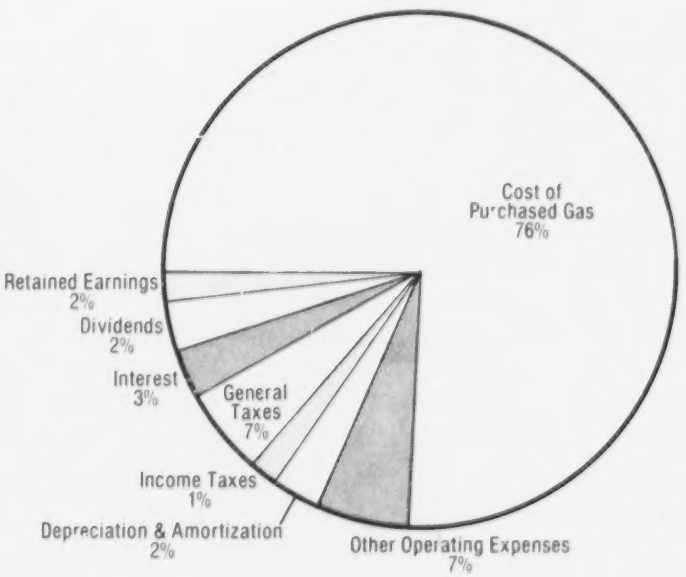


December 31, 1981

SOURCE



DISPOSITION



*Retained earnings and dividends per revenue dollar have no relation to the rate of return earned on investments.

FIGURE NO. 5-9

GAS COMPANIES—CLASSES A & B
SUMMARY OF SELECTED INCOME AND EXPENSES, BALANCE SHEET AND CUSTOMER STATISTICS FOR THE CALENDAR YEARS 1970, 1975, 1979, 1980, 1981-1982

(N.C. Data Except As Noted) (Dollars in 000's)

Item	1970	1975	1979	1980	1981	1982	% Change More (Less) 1981 over 1980	% Change More (Less) 1982 over 1981
Number of Companies Regulated	5	5	5	5	5	4		
Number Included in this Data	5	5	5	5	5	4		
Income Items:								
Sales—Residential		$ 49,823	$ 95,643	$ 116,671	$ 148,953	$ 156,546	27.6	5.1
—Commercial		28,308	59,531	77,797	106,039	115,716	36.3	9.1
—Industrial—Firm		37,712	118,575	235,115	263,776	250,393	12.2	(5.1)
—Industrial—Interruptible		33,890	52,561	34,342	95,038	86,155	177.3	(9.4)
—Other		9,399	17,050	24,096	31,852	33,236	32.2	4.3
Total Sales of Gas	$ 98,358	$ 159,132	$ 343,360	$ 488,021	$ 645,658	$ 642,046	32.3	(.56)
Other Operating Revenue	159	(372)	529	997	1,196	1,096	20.0	(8.4)
Total Gas Operating Revenue	$ 98,517	$ 158,760	$ 343,889	$ 489,018	$ 646,854	$ 643,142	32.3	(.57)
Expense Items:								
Natural Gas Purchased	$ 51,628	$ 81,995	$ 237,095	$ 367,455	$ 493,559	$ 486,320	34.3	(1.5)
Production Expense		264	525	395	347	340	(13.8)	(2.0)
Regulatory Commission Expense		71	17	48	8	5	(5.0)	(37.5)
Sales Promotion		1,258	1,901	2,396	2,433	2,839	1.5	16.7
Maintenance and Repair	1,909	3,629	4,851	6,112	6,785	7,314	11.0	7.8
Depreciation and Amortization	5,153	7,660	9,709	10,597	11,360	12,394	7.2	9.1
Other Expense	11,688	16,623	26,368	28,360	38,422	41,919	35.5	9.1
Total Operating Expenses Before Taxes	$ 70,378	$ 111,500	$ 280,466	$ 415,363	$ 552,914	$ 551,131	33.1	(.32)
State Taxes:								
Income Taxes	$ 655	$ 1,286	$ 1,420	$ 1,353	$ 1,494	$ 1,037	10.4	(31.0)
Gross Receipts Taxes		9,602	20,427	29,022	38,613	38,376	33.1	(.61)
Property Taxes	8,289	2,750	2,984	3,128	3,376	3,471	8.0	2.8
Other Operating Taxes		66	194	197	185	84	(6.1)	(54.6)
Total State Taxes	$ 8,944	$ 13,704	$ 25,025	$ 33,700	$ 43,668	$ 42,968	30.0	(1.6)
Federal Taxes:								
Income Taxes	$ 4,512	$ 5,053	$ 8,334	$ 6,345	$ 7,269	$ 4,694	14.6	(35.4)
Prov. for Deferred Income Taxes		2,354	2,952	3,435	5,764	6,925	67.8	20.1
Income Taxes Deferred in Prior Years		(13)	(13)	(9)	(13)	(13)	44.4	—
Investment Tax Credits		208	1,172	2,637	2,894	2,343	9.7	19.0
Payroll O.A.B. & Unemployment		866	1,229	1,461	1,780	2,157	21.8	21.2
Other Federal Taxes	1,118					148		
Total Federal Taxes	$ 5,630	$ 12,468	$ 13,674	$ 13,869	$ 17,694	$ 16,254	27.6	(8.1)
Total State & Federal Taxes	$ 14,574	$ 26,172	$ 38,699	$ 47,569	$ 61,362	$ 59,222	29.0	(3.5)
Total Operating Expenses	$ 84,952	$ 137,672	$ 319,165	$ 462,932	$ 614,276	$ 610,353	32.7	(.64)
Net Operating Revenue	$ 13,565	$ 21,088	$ 24,724	$ 26,086	$ 32,578	$ 32,789	24.9	6.5
Other Income and Expenses:								
Other Income	$ 1,003	$ 438	$ 1,901	$ 3,013	$ 3,335	$ 673	10.7	(79.8)
Allow. for Funds Used During Construction		484	201	99	259	470	161.7	81.5
Deductions from Income		53	1,000	256	1,410	732	451.1	(48.1)
Total Other Income and Expenses	$ 1,003	$ 869	$ 1,102	$ 2,856	$ 2,184	$ 411	(23.5)	(81.2)
Fixed Charges:								
Interest on Funded Debt	$ 6,428	$ 7,790	$ 9,621	$ 9,348	$ 8,807	$ 9,189	(5.8)	4.3
Other Fixed Charges	1,359	948	1,822	2,915	5,923	6,087	103.1	2.8
Total Fixed Charges	$ 7,787	$ 8,738	$ 11,443	$ 12,263	$ 14,730	$ 15,276	20.1	3.7
Net Income	$ 6,781	$ 13,219	$ 14,383	$ 16,679	$ 20,032	$ 17,924	21.1	(10.5)
Balance Sheet Items (N.C. only):								
Utility Plant in Service	$ 220,298	$ 280,163	$ 345,110	$ 379,473	$ 411,039	$ 447,825	8.3	8.9
Depreciation Reserve	41,397	70,874	103,894	115,234	123,225	136,674	6.9	10.9
Net Plant in Service	178,901	209,289	241,216	264,239	287,813	311,151	8.9	8.1
Leased to Others		23	23	23	23	23		
Held for Future Use		736	444	250	211	126	(15.6)	(40.3)
Construction Work in Progress		10,452	3,008	6,036	7,111	4,629	17.8	(34.9)
Acquisition Adjustment		(112)	(26)	(20)	(10)	449	(50.0)	43.9
Total Net Plant (Original Cost)	$ 178,901	$ 220,388	$ 244,665	$ 270,528	$ 295,148	$ 316,378	9.1	7.2
Balance Sheet Items (Systemwide):								
Long-Term Debt	$ 143,161	$ 146,661	$ 155,630	$ 148,905	$ 143,596	$ 134,182	(3.6)	(6.5)
Earned Surplus	24,224	48,294	63,368	72,006	83,857	84,233	16.5	1.0
Total Capitalization	$ 223,838	$ 258,189	$ 288,778	$ 299,888	$ 311,410	$ 297,030	3.8	(4.6)
Long-Term Debt % of Total Capitalization	64.0	56.8	53.9	49.7	46.1	45.2	(7.2)	(2.0)
Average No. of Common Shares Outstanding	6,155,856	7,115,386	7,512,824	8,431,671	9,029,601	8,497,198	7.1	(5.9)
Earnings Per Average Common Share Outstanding (after Preferred Dividends)	$ 1.24	$ 1.99	$ 2.38	$ 2.37	$ 2.56	$ 2.15	8.0	(16.0)
Customer & Miscellaneous Data (N.C. Data):								
Average Annual Use—Residential Customers (DT)	116	95	97	97	95	89	(2.1)	(6.3)
Total Residential Customers (Average Annual Count)	208,712	255,339	280,289	294,343	304,072	314,108	3.3	3.3
Grand Total—All Types Customers	262,286	314,563	333,054	349,298	360,151	371,720	3.1	3.2
Average No. Full-Time Employees	1,851	1,764	1,891	2,067	2,332	2,287	12.8	(1.9)
Total Salaries & Wages Paid Employees ($-000's)	$ 13,539	$ 17,216	$ 26,774	$ 33,085	$ 37,588	$ 41,648	13.6	10.8
Average Annual Compensation per Employee (Actual)	$ 7,315	$ 9,760	$ 14,159	$ 16,006	$ 16,118	$ 18,211	1.0	12.9

VI. The Communications Industry

Telephone, Western Union, Radio Common Carrier

A. BRIEF REVIEW OF THE TELEPHONE INDUSTRY — General

At December 31, 1982, there were sixteen (16) Class A & B and four (4) Class C & D telephone companies under the jurisdiction of the North Carolina Utilities Commission. Six (6) of the telephone companies under North Carolina jurisdiction also have operations in other states. See Figure No. 6-1.

Following is a list of the Telephone Holding Companies and their wholly owned or controlled operating telephone companies, which are under Commission regulation:

Parent Holding Company	Operating Telephone Company
American Tel. & Tel. Co.	Southern Bell Tel. & Tel. Co.
Continental Tel. Co.	Cont. Tel. Co. of Va. (Serves Knotts Island, N.C.)
Gen. Tel. & Electronics	Gen. Tel. Co. of the Southeast
Mid-Continent Tel. Co.	Mid-Carolina Tel. Co. Sandhill Telephone Co.
T.D.S. Incorporated (Telephone & Data Systems, Inc.	Bardnardsville Tel. Co. Service Telephone Co.
United Telecommunications, Inc.	Carolina Tel. & Tel. Co.

Description of the Divestiture Transaction

Background

On August 24, 1982, the Court approved as in the public interest and entered a consent decree entitled the "Modification of Final Judgment" (Consent Decree), which arose out of antitrust litigation brought by the Department of Justice (DOJ), and was agreed to by AT&T and the DOJ, with certain modifications which the Court has required. On February 29, 1983, the United States Supreme Court affirmed the Consent Decree.

On December 16, 1982, AT&T, as required by the terms of the Consent Decree, filed with the Court a Plan of Reorganization outlining the method by which AT&T intends to comply with the Consent Decree. Such Plan, with amendments agreed to by AT&T and the DOJ and modifications required by the Court (Plan), was approved by the Court on August 5, 1983. Approval of the Plan has been appealed by the State of California and the California Public Utilities Commission and by the New York State Department of Public Service. On September 7, 1983, the Court ordered that appeals be filed directly with the United States Supreme Court to avoid delays in resolving the matter.

Under the terms of the Consent Decree, AT&T must divest itself, in accordance with the terms of the Plan, of ownership of the portions of the Bell operating companies (BOC) that relate to exchange telecommunications, exchange access functions, and printed directory advertising, as well as AT&T's cellular advanced mobile communications service business. Cincinnati Bell, Inc. and The Southern New England Telephone Company, in which AT&T holds minority interests, are not included in the divestiture requirement. AT&T will retain ownership of AT&T communications, Western Electric, Bell Laboratories, AT&T Information Systems, AT&T International, and those portions of the BOCs which provide interexchange service and customer premises equipment. The divestiture will become effective on January 1, 1984.

The Regional Holding Companies (RHCs)

Divestiture

To accomplish the required divestiture, AT&T is reorganizing the 22 BOCs and will transfer them to the seven newly formed RHCs. The BOCs will continue to operate in the same areas they now service providing exchange telecommunications and exchange access services.

On January 1, 1984, ownership of the RHCs will pass from AT&T directly to its shareholders. This will be accomplished by a stock distribution whereby each AT&T shareholder will receive one share of each RHC for each ten shares of AT&T held.

Each RHC has its own officers, employees, and board of directors. Although the RHCs will each own a one-seventh interest in a Central Service Organization ("CSO"), commencing January 1, 1984, they will be independent of AT&T and of each other.

Services

The Consent Decree specifies both the types of telecommunications services to be provided by the RHCs or their subsidiaries and the geographic areas in which those services are to be provided. All Bell System territory in the continental United States has been divided into 161 geographical areas which have been termed "Local Access and Transport Areas" (LATAs). The LATAs are generally centered on a city or other identifiable community of interest, and LATA marks the boundary within which the BOC subsidiaries of an RHC may provide two basic types of telecommunications services. First, the BOCs will transport telecommunications traffic between telephones and other customer premises equipment located within the same LATA (intraLATA service), which can include toll service as well as local service. Second, the BOCs will provide exchange access service, which will link a subscriber's telephone or other equipment to the transmission facilities of AT&T and other interexchange carriers which will, in turn, provide telecommunications service between LATAs (interLATA service). Each BOC is required to provide all interexchange carriers exchange access, information access, and exchange services for such access that by September 1, 1986, will be equal in quality, type, and price, at all locations upon request to that provided to AT&T and its affiliates. The Consent Decree prohibits the RHCs and the BOCs from providing interLATA service.

Advanced Mobile Communications Service

Subsidiaries of the RHCs will provide advanced mobile communications service using cellular radio technology. Cellular radio is a new form of two-way mobile telephone service which has been developed by AT&T. At present activities relating to cellular radio service are conducted by AT&T's wholly owned subsidiary, Advanced Mobile Phone Service, Inc. (AMPS), and seven recently organized Regional Cellular Service Companies (RCSCs) wholly owned by AMPS. The resources owned by AMPS, including licenses, will be transferred to the appropriate RCSCs. AT&T will transfer to each of the seven RHCs ownership of each respective RCSC.

The provision of cellular service is subject to regulation by the Federal Communications Commission (FCC) and by the regulatory authorities of some states. In addition, the Court has granted an exception to the requirements of the Consent Decree by allowing mobile cellular service offered by wireline carriers (BOCs) to cross LATA boundaries in certain specified areas subject to certain conditions, including the requirement that interconnection to their wireline systems be provided to nonwireline cellular service operators on the same terms and conditions as provided to its own cellular service operations. The FCC has, to date, granted permits for the construction of cellular facilities by wireline carriers in 29 of the largest service areas in the United States. Of these, 9 have been issued to AMPS, 13 to partnerships in which AMPS has a majority interest, 6 to partnerships in which AMPS has a minority interest, and 1 to an independent telephone company. At present one license to operate a cellular system has been granted by the FCC. It authorizes a partnership, in which AMPS has a majority interest, to operate a system in the Chicago area. Under FCC policy at least one nonwireline carrier mobile communication service will be licensed in each area.

It is anticipated that the offering of cellular radio service will be highly competitive, with a considerable number of companies competing for supplies as well as for sales.

Central Services Organization

As previously indicated the seven RHCs also will jointly own the CSO. This organization will furnish the RHCs and their subsidiaries with technical assistance such as network planning, engineering, and software development. It will also provide various consulting services and other assistance that can be provided more effectively on a centralized basis. The CSO will be a central point of control for coordinating the efforts of the RHCs in meeting the national security and emergency preparedness requirements of the federal government. It will also help to mobilize the combined resources of the companies in times of natural disasters. Upon divestiture the CSO will employ about 8,000 persons, including many specialists drawn from Bell Laboratories, Western Electric, AT&T, and the BOCs. Since the CSO is primarily a service organization, it is not expected that its future capital expenditures will be significant in relation to the financial position of the RHCs, nor is it intended to be a significant source of profits. The COS may offer services to unaffiliated companies, but it is not expected that this will be a significant activity or source of revenues for the foreseeable future.

The operating telephone companies which are wholly owned or controlled through a holding company generally purchase most of their supplies, equipment, and technical services through the parent company. These transactions between parent and subsidiary require Commission surveillance to guard against unfair practice, since the regular arm's-length relationship does not exist between the parties.

Western Union Telegraph Company's rates on intrastate service are regulated by the Commission, but the Federal Communication Commission (FCC) rather than the Utilities Commission has jurisdiction over the extension and abandonment of telephone offices and services. The Utilities Commission receives notice of all proceedings initiated by Western Union and is a proper party to these proceedings.

The telephone companies render both exchange service and toll service pursuant to tariffs containing rates and charges on file with, and approved by, the Utilities Commission.

Recent Trends

A series of events occurring in the past, including the Hush-a-phone case in the 1950 s, the Carterfone decision in the late 1960 s, and the origination of the telephone registration program in November 1975, ordered by the Federal Communication Commission (FCC) in its Docket 19528, has produced a new state telephone regulatory environment. During 1977 and 1978 several companies within the State began selling telephone terminal equipment directly to customers.

The order in the FCC Docket 19528 required standard modular connectors to be installed for use with all single line telephone station sets. Approval of connecting a telephone station set to the nationwide telecommunication network under the registration program stimulated entry into terminal telephone equipment sales by outside competition. The telephone companies, on the other hand, initially opened stores (phone centers, phone marts, phone shops, etc.) to present and market their telephone wares to be rented rather than to be sold.

Sales of terminal equipment such as key telephone systems, private branch exchanges, etc., by telephone company competitors flourished during this period of regulatory climatical changes resulting in the regulated telephone companies altering their policy of nonsales. Today both regulated telephone companies and their competitors provide equipment to the public which supplants past regulated services and which are now connected to the national switched telecommunciations network.

A significant and historic event took place on August 24, 1982, when the United States District

Court for the District of Columbia (Court) ruled that effective January 1, 1984, AT&T would implement a plan of divestiture of its 22 Bell Operating Companies and some of its service related companies.

B. CUSTOMER GROWTH AND IMPACT ON PLANT INVESTMENT

The regulated utilities had 4,115,937 telephones in service in North Carolina at December 31, 1981. In 1982 there were 3,982,050 telephones in service. There was a decrease of 133,887 or 3.3% in the total number of phones in service in 1982. Figure No. 6-1 shows increases or decreases in telephones by companies and Figure No. 6-2 shows the types of telephones in service for the years 1965, 1970, 1975, 1979, 1980-1982 of total telephones provided by regulated utilities in the State. Southern Bell Telephone and Telegraph Company served 55% in 1981 and over 65% in 1982. Carolina Telephone and Telegraph Company served 23% in 1981 and 21.5% in 1982.

The installation of additional main station telephones required additional investment. For example, in installing an additional instrument, provisions must be made for central office equipment, circuits, and lines adequate to the traffic potential of the installation. The telephone companies attempt to maintain a plant margin of reserve for growth and maintenance for at least six to eighteen months for central office equipment. For other types of plants, the companies strive for a margin of reserve of greater duration depending on the type of construction and the economics involved in such construction. The telephone companies generally attempt to engineer for a three-year growth in outside cable plant facilities and for a one to two year growth factor in central office equipment. Unlike other industries, increased volume and increased installations do not necessarily mean increased profits for the telephone utilities. In many instances increased volume can mean less net earnings where the unit costs of servicing the investment exceeds additional unit revenue derived. This is particularly true in sparsely populated areas requiring high investment per station. The same unit profit squeeze may also be evident in meeting demands for higher grades of service; for example, because of rate differential, where a subscriber who had been receiving four-party service asks for and receives a one-party service the increased revenue per unit may not keep pace with the additional investment and expense.

C. DEMANDS FOR SERVICE

The telephone companies in North Carolina for several years have been faced with an enormous challenge in meeting demands for service. However, as more and more telephone service is extended throughout the state, the overall problem changes somewhat from satisfying demands for service, on which the Commission and the companies have placed special emphasis, to satisfying demands for better quality and upgraded service.

D. EXTENDED AREA SERVICE (EAS)

Extended Area Service is the industry term applied to the extension of local calling from one telephone exchange to and from another exchange without a toll charge being levied. Extended area coverage was approved for one (1) telephone company in 1981 and five (5) telephone companies in 1982.

E. TELEPHONE RATES — Comments

Local Exchange Rates

These are the monthly charges for basic telephone service as fixed by the Commission. These rates are divided between residential and commercial telephones and are graduated upward from four-party to single-party service. Local exchange rates for a particular company are fixed on a companywide basis according to the calling scope of the particular exchange; i.e., the number of main stations and PBX trunks in an exchange which a single subscriber may telephone without toll charge. These rate groupings are not standard among the companies. Figure No. 6-3 shows rate groupings with rates for the regulated telephone companies.

The practical result of the foregoing "value of service principle" is that a company's subscriber in an urban area will pay a higher monthly local exchange rate than the same company's subscribers in a community having a substantially smaller number of telephones that can be called without a toll charge. Thus, unlike electric and natural gas utilities which have standard rates applicable to a customer classification companywide, the telephone companies have different rates for basic service depending upon the telephone population or calling scope in the particular exchange. Telephone rates also vary substantially between companies and states. Figure No. 6-4 shows local service telephone monthly rates for selected exchanges in North Carolina and selected out-of-state exchanges. The out-of-state companies shown were selected mainly because of exchange sizes and population comparable to North Carolina. The use of this data for comparative purposes is limited and must be used with discretion. It does illustrate the wide disparities in rates between companies and states.

Toll Charges

Calls between two separate exchanges are "long distance" or toll charge calls, unless arrangements have been made for extended area (toll-free) service. Intrastate toll charges in North Carolina are uniform throughout the State. See Figure No. 6-5.

Two- and Four-Party Service

Two-party and four-party service in North Carolina has been reduced to less than 3.5% of the total lines in service.

Five- and Multi-Party Services

The number of five- and multi-party services in the State was reduced to -0- and 46, respectively,

during 1978 and was completely eliminated during the 1979-80 period.

Service Charges

These are the charges made for installing, moving, and changing telephone instruments. These charges have been increased for some companies in the past few years in rate cases to make them more cost-related. Below are some typical charges by selected companies for various services relating to installing a telephone:

Charges for Various Telephone Installations Services In Effect December 31, 1982

	Carolina		Citizens		Southern Bell	
	Residence	Business	Residence	Business	Residence	Business
Service Order	17.90	23.65	9.60	14.70	27.10	36.75
Premises Visit	5.50	8.00	4.55	4.55	5.75	5.75
Central Office Work	4.65	5.00	4.40	4.80	14.30	16.95
Line Work	—	—	—	—	—	—
Inside Wiring	10.50	13.75	3.50	4.40	8.75	15.05
Jack	7.00	7.00	2.70	2.70	3.90	3.90
Equipment Work	5.00	10.25	2.55	3.60	3.05	4.10
Totals*	50.55	67.65	27.30	34.75	62.85	82.50

	Heins		Ellerbe		Continental Tel. of N.C.	
	Residence	Business	Residence	Business	Residence	Business
Service Order	12.00	14.00	12.00	14.00	12.00	17.50
Premises Visit	5.00	6.00	5.00	6.00	6.00	8.00
Central Office Work	3.00	3.00	3.00	3.00	5.05	11.75
Line Work	—	—	—	—	18.00	22.00
Inside Wiring	6.00	9.00	4.00	7.00	16.60	40.00
Jack	—	—	2.00	2.00	2.50	2.50
Equipment Work	2.00	2.00	2.00	2.00	10.00	12.50
Totals*	28.00	34.00	28.00	34.00	70.15	114.25

*These are typical charges made for the installation of one main station at a new location.

Special Charges

Certain special equipment, such as key systems and private branch exchange systems, require special rates and special consideration by the Commission. These rates are fixed individually on a case-by-case and company-by-company basis and vary widely because of variances in equipment and operating characteristics.

F. RATE INCREASES APPROVED

During 1981 and 1982, as in the past, much time was required in formal hearings for telephone companies. Preparation and local hearing time effort associated with the general rate proceeding increased the Commission workload more than any other single telephone matter.

The general rate increases for 1981 and 1982 are shown on the following page.

G. WESTERN UNION OFFICES

In recent years, as large businesses made growing use of their telex and TWX terminal capability for originating telegrams and as smaller businesses and the general public increasingly availed themselves of telephone convenience for sending their telegrams, the need for Western Union local offices steadily declined in the United States and in North Carolina. Total, less than 10% of public message traffic is accepted over the counter; and most of that traffic is money order business.

This customer usage pattern resulted in the gradual reduction in the number of telephone company owned and operated offices from more than 3,000 in the 1940s to only 148 in 1982 in North Carolina. As of August 3, 1982, the Utilities Commission no longer regulates The Western Union Telegraph Company (Docket No. WU 111). The following illustrates the number of Western Union offices in the United States and in North Carolina:

	United States		North Carolina	
	1981	1982	1981	1982
Independent Offices & Branches	177	148	5	5
Joint Offices	0	0	0	0
Agency Offices	5791	5840	243	217
Total	5968	5988	248	222

THE TELEPHONE INDUSTRY
Rate Increases Approved Calendar Years 1981 and 1982

Company	Date Filed	Docket Number	Amount Requested	Amount Approved Undertaking Final	Date of Final Order
1981					
Carolina Tel. & Tel.	08-28-80	P-7,Sub 652	$ 25,524[1]	$ 1,911[2]	04-03-81
Central Tel. Company	01-21-81	P-10, Sub 400	10,862	3,325	09-21-81
General Tel. Co.of Southeast	04-06-81	P-19, Sub 182	10,065	6,625	11-06-81
Southern Bell Tel. & Tel.	09-04-80	P-55, Sub 784	68,174	41,281	04-03-81
Westco Tel. Co.	10-28-80	P-78, Sub 47	1,224	1,093	05-28-81
Western Carolina Tel. Co.	10-28-80	P-58, Sub 117	2,336	1,171	05-28-81
1982					
Carolina Tel. & Tel.	08-27-81	P-7, Sub 662	$ 47,227	$15,897	04-06-82
Lexington Tel. Co.	11-13-81	P-31, Sub 110	1,746	1,111	06-14-82
Mid-Carolina Tel. Co.	11-02-81	P-118, Sub 22	6,661	3,500	06-02-82
Randolph Telephone Co.	07-01-81	P-61, Sub 62	439	125	01-04-82
Southern Bell Tel. & Tel. Co.	08-03-81	P-55, Sub 794	129,050	81,785	04-09-82
Westco Tel. Co.	04-30-82	P-78, Sub 50	1,848	875	11-30-82
Western Carolina Tel. Co.	04-30-82	P-58, Sub 124	3,722	1,539	11-30-82

[1] Later raised to $36,261(000)
[2] Includes $712(112) increase in toll revenues from Docket No. P-100, Sub 53.

H. RADIO COMMON CARRIERS

There are fourteen Radio Common Carriers (RCC s) certified to operate in North Carolina. These RCCs provide two-way mobile telephone service and one-way radio paging service to approximately 15,000 units within the State. The services offered by RCCs generally include automatic dial as well as manual operation for mobile units and pagers. Interconnection with the landline telephone network is provided so as to permit direct communications between landline telephones and RCC mobile/paging units.

The growth of RCC two-way mobile units has been hampered by the limited number of VHF radio channels available from the Federal Communications Commission (FCC). While the demand for RCC service has been increasing in the metropolitan areas, the limited number of radio channels has restricted the number of subscribers an RCC could serve and still maintain an acceptable quality of service. It is anticipated that most future mobile telephone growth will have to be met through the use of higher frequency channels in the 450 MHz or 900 MHz bands.

During 1982 the Commission granted a general rate increase to Anser-Quick Enterprises, Inc. After investigations and hearings the Commission authorized a revenue increase of approximately 47%. There were no general rate cases in 1981.

Cellular Radio Technology

Two-way mobile radio service is now provided by mobile radio carriers. It may be described as "party-line" service, much of it manually dispatched. Its grade of service is poor due to present FCC channel-loading criteria. Two-way service is not of the efficiency and speed now needed by the public in the area. Technology is now available to enhance, improve, and add to two-way radio service. This vastly enhanced two-way service is popularly called "cellular mobile radio service." Under the "cellular" technology the number of radio base stations is expanded so that as a two-way mobile radio subscriber moves through the service area his call is automatically and instantly handed off from one base station to another so that a subscriber may originate and terminate calls from any point within the service area. Two (2) or more callers can share the facilities simultaneously. Central switching equipment automatically routes calls through interconnection with the land-line telephone network so that mobile-to-land and land-to-mobile calls can be completed, as well as mobile-to-mobile calls. Unlike the conventional two-way calling now offered by most of the mobile radio common carriers in their franchised areas, the "cellular mobile radio" system has a built-in capacity to expand as public demand increases, with a grade of service comparable to land-line telephone service.

The Federal Communications Commission, which allocates frequencies, grants facility construction permits, and licenses facilities involved in one-way and two-way mobile radio systems, has identified ninety (90) markets (Cellular Geographic Service Areas (CGSA) nationwide in which the public demand and need will justify cellular enhancement. Accordingly the FCC has allocated two (2) 20 MHz groups of channels to each market. Initially one license will be available to land-line telephone applicants and one will be available to radio common carriers.

The following mobile radio common carriers were authorized to offer the new cellular technology:

Company	Date of Filing	Date of Approval
Aircall, Inc.	11/8/83	12/2/83
Ans-A-Phone Communications, Inc.	5/12/83	6/18/83
Dial Page of the Triad, Inc.	10/28/83	1/20/84
Patterson Answerphone Communications Enterprises, Inc.	1/28/83	2/23/83
Services Unlimited, Inc.	4/20/83	6/3/83
Two Way Radio of Carolina, Inc.	5/25/83	6/15/83

I. SOURCE AND DISPOSITION OF REVENUES — Comments

The telephone companies derived about 42.8% of their revenues from local charges, 53.8% from toll charges, and 3.4% from miscellaneous services in 1981. In 1982 local charges provided 44.6%, toll charges 52.0%, and miscellaneous services 3.4% of total revenues received by the telephone companies. These ratios have not changed drastically on a year-to-year basis, but the long-term trend (1965 through 1980) was an increasing amount from toll service. However, as shown on Figure No. 6-6, toll revenue is producing a consistent percentage of total revenue; 54.0% in 1980, 53.8% in 1981, and 52% in 1982, a slight decline from 1980.

The components of the disposition of the revenue dollar as shown on Figure No. 6-6 indicates that for the year 1982 compared to 1981 operating expenses, depreciation, and all taxes increased while dividends and interest decreased.

J. PLANT INVESTMENT — Comments

The regulated telephone companies increased their gross plant investment in North Carolina 9.2% in 1977, 9.6% in 1978, 11.3% in 1979, 9.2% in 1980, 7.9% in 1981, and 7.0% in 1982. These increases represent investments of $231 million in 1977, $266 million in 1978, $342 million in 1979, $281 million in 1980, $268 million in 1981 and bring the total gross investment at December 31, 1982, to 4,163,558 or $1045 per telephone based on year end count.

Figure No. 6-7 shows investment per telephone for the years 1970, 1975, 1979, 1980, 1981, and 1982 on a North Carolina industrywide basis. Figure No. 6-8 shows the same data for each of the regulated telephone companies operating in North Carolina. The investment per telephone data as shown on Figure No. 6-8 indicates the variances in this important cost element of providing telephone service, and these variances in plant cost contribute to the variances in telephone rates between companies.

K. STATISTICAL SUMMARY DATA

Total operating revenue of the telephone companies increased in 1982 over 1981 by 14.3%. Operating expenses increased by 15.2% in 1982 over 1981, and net operating revenue increased 10.5% for the same period. Salaries and wages increased by 8.6% in 1982 over 1981 as compared with 11.7% for 1981 over 1980. Total salaries and wages paid by the telephone companies in 1982 were $490 million and $452 million in 1981. The total average number of employees increased to 21,714 in 1981 and decreased 2.1% to 21,254 in 1982. A detailed account of these and other selected items is shown in Figure No. 6-9.

FIGURE NO. 6-1

TELEPHONE COMPANIES OPERATING IN NORTH CAROLINA
NUMBER OF TOTAL TELEPHONES IN SERVICE, EXCHANGES, AND DENSITY DATA
AT YEAR END FOR 1960, 1965, 1970, 1975, 1980, 1981, & 1982

	No. of Total Telephones in Service								No. of Exchanges						Telephone Density Data							
															No. Phones Per 100 Population		No. Phones Per Square Mile Area		% Households In Area Served Having Phones		Average No. Employees Per Company	
Class A & B	1960[1]	1965	1970	1975	1980	1981	1982	1981/1982	1965	1970	1975	1980	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Carolina Tel. & Tel. Co.[2]	244,716	348,295	527,190	779,464	982,532	910,456	854,490	(6.1)	137	143	146	146	145	145	53	34	48	31	89	89	5,420	5,309
Central Telephone Co.[3]	74,072	101,508	142,461	191,600	241,597	232,384	228,706	(1.6)	39	35	43	43	43	43	52	50	74	73	87	88	1,107	1,049
Citizens Telephone Co.	3,462	5,919	8,704	12,133	15,968	16,530	15,840	(4.2)	3	3	4	4	4	5	73	70	44	42	95	95	65	64
Concord Telephone Co.	34,992	44,308	56,365	72,353	93,740	97,382	98,533	1.2	9	9	9	9	9	9	68	69	138	140	96	96	336	331
Continental Tel. of N.C.	—	—	—	—	—		90,609	—	—	—	—	—	1	26	—	34	—	23	—	84	—	431
Ellerbe Telephone Co.	574	743	1,084	1,535	2,003	2,088	2,130	2.0	1	1	1	1	1	1	50	50	8	8	85	86	8	9
General Tel. Co. of the Southeast[4]	43,943	65,363	97,469	124,839	162,054	167,473	165,809	(1.0)	5	5	5	5	5	5	84	84	199	197	91	91	1,734	1,750
Heins Telephone Co.	8,284	11,267	15,825	22,130	30,087	31,263	29,660	5.1	3	3	3	3	3	3	65	61	67	63	96	96	162	155
Lexington Telephone Co.	9,049	12,006	17,082	22,248	28,825	29,873	27,737	(7.0)	3	3	3	3	3	3	61	57	144	133	N/A	N/A	173	167
Mebane Home Telephone Co.	1,903	2,571	3,665	5,502	6,877	7,069	7,103	1.0	1	1	1	1	1	1	40	54	46	47	75	94	22	23
Mid-Carolina Telephone Co.[5]	21,830	33,016	51,810	77,742	108,747	113,738	114,709	85	24	26	26	26	26	26	38	37	52	52	90	90	313	312
North State Telephone Co.	37,221	48,237	64,662	86,473	113,470	114,752	114,752	—	3	3	3	3	3	3	74	73	200	199	92	91	476	472
Pineville Telephone Co.[6]	—	—	—	—	2,177	2,185	1,586	(27.0)	—	—	—	1	1	1	109	79	22	16	98	97	12	13
Randolph Telephone Co.	1,026	1,398	2,104	2,847	3,773	3,795	3,615	(4.7)	1	1	1	1	1	1	53	50	46	44	85	86	14	12
Sandhill Telephone Co.	1,341	1,743	2,526	3,624	5,225	5,381	5,617	4.4	2	2	2	2	2	2	74	67	103	103	97	97	12	12
Southern Bell Tel. & Tel. Co.[7]	670,413	886,620	1,253,681	1,763,783	2,246,942	2,285,163	2,217,278	(3.0)	92	93	94	95	95	93	80	81	189	195	87	84	11,400	11,133
Westco Telephone Co.[8]	—	8,709	16,881	24,645	34,019	34,399	—	—	13	15	15	15	15	15	36	—	17	—	76	—	-0-	—
Western Carolina Tel. Co.[9]	16,216	15,489	27,496	42,181	57,578	57,771	—	—	13	12	12	11	11	11	35	—	32	—	82	—	449	—
Totals Class A & B	1,169,042	1,587,192	2,289,005	3,233,099	4,135,614	4,111,702	3,977,664	(3.3)	349	355	368	369	369	393	66	61	93	87	89	91	21,703	21,242
Class C & D																						
Barnardsville Telephone Co.	186	293	354	613	876	911	991	8.8	1	1	1	1	1	1	46	50	7	8	85	85	3	3
Continental Tel. Co. of Virginia	42	48	184	339	452	465	437	(6.0)	1	1	1	1	1	1	35	34	31	31	61	61	N/A	N/A
Saluda Mountain Tel. Co.	290	373	520	833	1,320	1,365	1,450	6.2	1	1	1	1	1	1	69	73	19	21	85	85	4	5
Service Telephone Co.	367	468	600	915	1,461	1,494	1,508	1.0	1	1	1	1	1	1	60	60	43	43	80	80	4	4
Totals Class C & D	885	1,182	1,658	2,700	4,109	4,235	4,386	3.6	4	4	4	4	4	4	54	54	17	18	77	77	11	12
Grand Totals	1,169,927	1,588,374	2,290,663	3,235,799	4,139,723	4,115,937	3,982,050	(3.3)	353	353	372	373	373	397	66	61	93	93	83	84	21,714	21,254
United States Totals[10]	77,813,000	93,659,000	120,783,300	148,623,000	180,180,000	181,551,000	177,730,351[11]															
Special Service & Private Lines	22,903	27,216	28,752	41,155	36,753	43,602	38,276															

[1] United Telephone Company of the Carolinas, Inc., merged with Carolina Telephone and Telegraph Company November 1, 1978. All figures for United for the period 1960-1978 are included in Carolina.

[2] Morris Telephone Company merged with Central Telephone Company November 4, 1965. All figures for Morris for 1965 and prior years are included in Central. Lee Telephone Company merged with Central March 6, 1973. All figures for Lee for 1973 and prior years are included in Central.

[3] General Telephone of North Carolina merged with General Telephone of the Southeast December 21, 1970. All figures for 1970 and prior years for General Telephone of North Carolina are included in General Telephone of the Southeast.

[4] Lilesville Telephone Company merged with North Carolina Telephone Company December 31, 1968. Eastern Rowan, Mid-Carolina, Mooresville, and Thermal Belt Telephone companies merged into Mid-Carolina Telephone Company December 10, 1973. All figures for merged companies are included in Mid-Carolina Telephone Company. North Carolina Telephone Company, and Old Town Telephone System, Inc. were merged into Mid-Carolina Telephone Company September 30, 1977. All figures for merged companies for 1977 and prior years are included in Mid-Carolina.

[5] Chapel Hill Telephone Company came under Commission jurisdiction on January 1, 1973, and was sold to Southern Bell Telephone and Telegraph Company, April 1, 1977. All figures for 1976 and prior years are included in Southern Bell.

[6] Pineville Telephone Company came under Commission jurisdiction January 1, 1976. (Docket No. P-120, Sub 1).

[7] Cooleemee Telephone Company merged with Western Carolina Telephone Company January 11, 1967, and was sold to Yadkin Valley Telephone Membership Corporation on May 16, 1978. All figures for Cooleemee for years prior to 1967 are included in Western Carolina.

[8] Norfolk & Carolina Tel. & Tel. Co. merged into Carolina Tel. & Tel. Co. December 27, 1979. All figures for Norfolk & Carolina prior to 1980 are included in Carolina Tel. & Tel. Co.

[9] Reference: Independent Telephone Statistics, U.S. Independent Telephone Association.

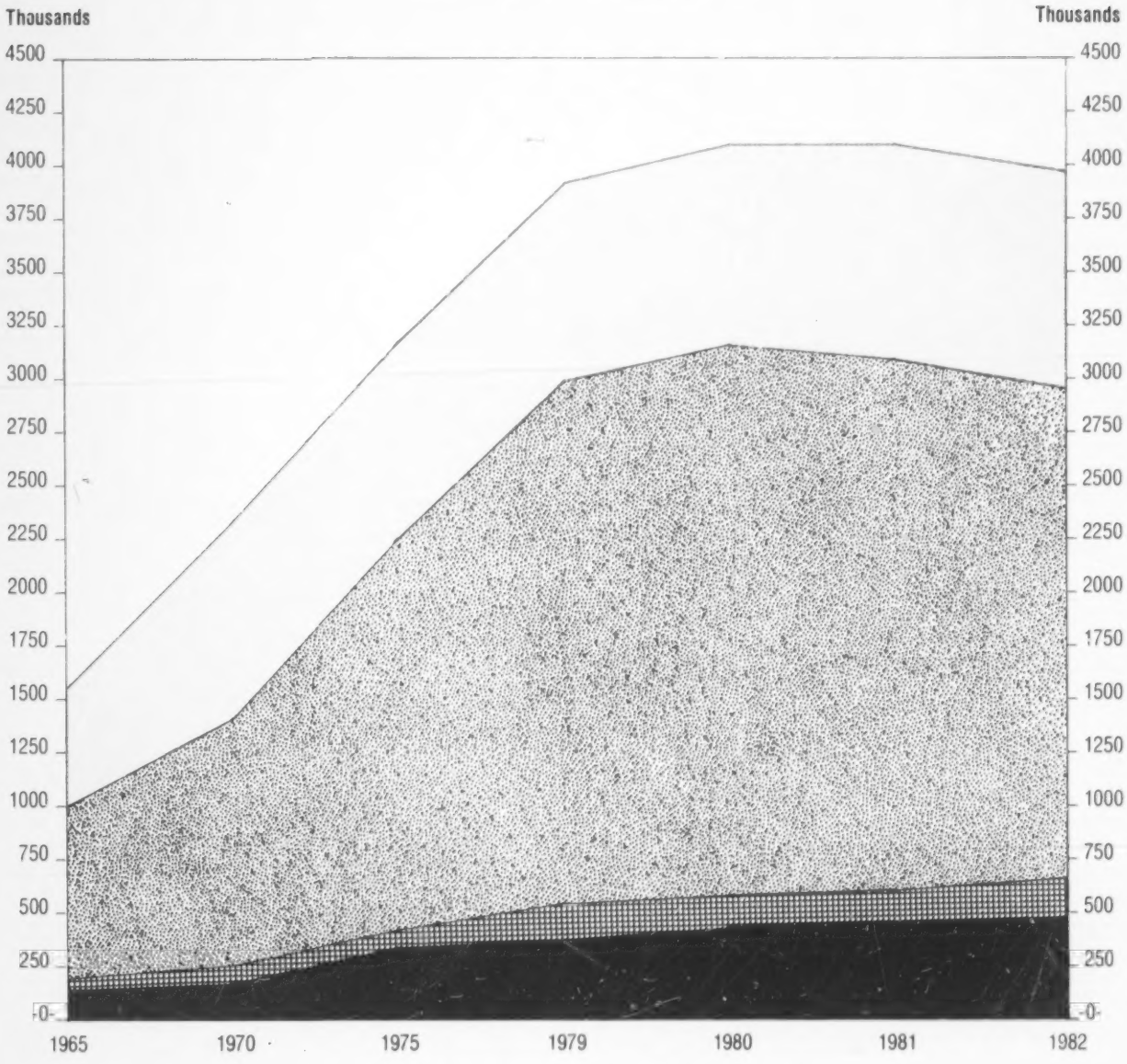
[10] Westco Telephone Co. and Western Carolina Tel. Co. were merged into Continental Telephone Co. of North Carolina in November, 1982.

[11] Based on percentage of access lines to total telephones from previous years.

[12] The 1960 information on number of exchanges is not readily available.

FIGURE NO. 6-2

TELEPHONES IN SERVICE AS OF DECEMBER 31, FOR YEARS SHOWN
(N. C. Data Only — 20 Companies)



PERCENT INCREASE (DECREASE) — 1982 OVER 1981

(2.0%)	Coin Operated, PBX Units & Special Services	(4.3%)	Residence Mains & Extensions
1.5%	Business Mains & Extensions	(3.3%)	Total

FIGURE NO. 6-3

TELEPHONE RATES
MONTHLY FLAT RATES BY CALLING SCOPE GROUPINGS
FOR ONE-PARTY BUSINESS AND RESIDENTIAL SERVICE
AS OF DECEMBER 31, 1982

CALLING SCOPE[1] AND RELATED MONTHLY FLAT RATES

Class A & B	1-1,000		1,001-2,000		2,001-4,000		4,001-8,000		8,001-16,000		16,001-32,000		32,001-50,000		50,001-100,000		100,001-150,000		150,001 and up	
	Bus	Res	Bus	Res	Bus	Res	Bus	Res	Bus	Res	Bus	Res	Bus	Res	Bus	Res	Bus	Res	Bus	Res
Carolina Tel. & Tel. Co.	14.80	5.95	19.00	7.55	20.30	8.10	22.80	9.10	25.55	15.25	28.75	11.55	28.10	11.25	26.20	10.45	26.85	10.75		
Central Telephone Co.					25.03	10.03	26.63	10.73	27.25	10.96	28.78	11.61	30.20	12.23	31.13	12.53	33.10	13.48		
Citizens Telephone Co.							20.85	8.00												
Concord Telephone Co.											19.20	7.50	21.00	8.20					25.30	9.35
Continental Telephone Co. of N.C.					27.60	11.02	28.60	11.43	29.60	11.83	30.60	12.23	31.60	12.63						
Ellerbe Telephone Co.			21.00	11.00																
General Tel. Co. of the S.E.									27.70	11.25					30.80	12.35				
Heins Telephone Co.									15.75	6.45										
Lexington Telephone Co.											20.65	8.25								
Mebane Home Telephone Co.									23.00	9.15										
Mid-Carolina Telephone Co.					25.00	10.00	26.90	10.75	27.40	10.95	27.90	11.15							33.65	13.45
North State Telephone Co.									6.65	3.30			9.50	4.50						
Pineville Telephone Co.																			9.80	4.75
Randolph Telephone Co.																	21.90	8.70		
Sandhill Telephone Co.							8.50	4.50	12.75	6.25										
Southern Bell Tel. & Tel. Co.					25.30	9.65	15.30	9.65	25.95	9.90	27.70	10.40	27.85	10.65	25.15	10.85	30.85	11.75	31.85	12.05
Class C & D																				
Barnardsville Telephone Co.	15.75	9.55																		
Continental Tel. Co. of Virginia																			23.00	12.75
Saluda Mountain Tel. Co.											9.00	6.10								
Service Telephone Co.					13.35	6.75														

[1] Calling Scope is the number of main station telephone and PBX trunks that can be called without paying a toll charge. The above rates are applicable to customers being served from exchanges having a total number of main stations and PBX trunks within the ranges indicated.

Westco Telephone Co. and Western Carolina Telephone Company were merged into Continental Tel. Co. of North Carolina in November 1982.

FIGURE NO. 6-4

LOCAL SERVICE TELEPHONE MONTHLY RATES
SELECTED EXCHANGES SERVING CITIES OF 50,000 POPULATION
OR MORE (1980 CENSUS)
IN EFFECT JUNE 30, 1982

COMPANY	EXCHANGE AND/OR CITY	STATE	MONTHLY FLAT RATES 1-PARTY SERVICE	
			Business	Residence
Central Telephone Co.	Las Vegas	Nevada	$17.10	$ 6.45
Chesapeake & Potomac Tel. Co. of U.S.	Lynchburg	Virginia	21.81	8.53
Diamond State Tel. Co.	Wilmington	Delaware	19.16	7.69
General Tel. Co. of California	Escondido	California	18.35	7.40
General Tel. Co. of Indiana, Inc.	Terre Haute	Indiana	38.23	13.99
General Tel. Co. of Kentucky	Lexington	Kentucky	39.96	14.61
General Tel. Co. of the Southeast	Durham	N.C.	30.80	12.35
Lincoln Tel. & Tel. Co.	Lincoln	Nebraska	29.25	9.05
Loraine Telephone Co., The	Loraine	Ohio	24.35	11.15
Michigan Bell Telephone Co.	Jackson	Michigan	18.51	8.43
Mountain States Tel. & Tel. Co.	Tucson	Arizona	21.68	8.97
New England Tel. & Tel. Co.	Portland	Maine	29.95	10.30
New York Telephone Co.	Syracuse	New York	X	11.92
North State Telephone Co.	High Point	N.C.	9.50	4.50
Northeastern Bell Tel. Co.	Council Bluffs	Iowa	25.00	9.60
Pacific Northwest Bell Tel. Co.	Salem	Oregon	27.80	8.70
Pacific Tel. & Tel. Co., Inc.	Salinas	California	16.05	6.70
South Central Bell Tel. Co.	Gadsden	Alabama	32.70	11.95
Southern Bell Tel. & Tel. Co.	Asheville	N.C.	29.30	11.25
Southern Bell Tel. & Tel. Co.	Charlotte	N.C.	31.85	12.05
Southern Bell Tel. & Tel. Co.	Greensboro	N.C.	30.05	11.50
Southern Bell Tel. & Tel. Co.	Raleigh	N.C.	30.85	11.75
Southern Bell Tel. & Tel. Co.	Winston-Salem	N.C.	30.85	11.75
Southern New England Tel. Co.	Bridgeport	Conn.	30.15	10.05
Southwestern Bell Tel. Co.	Corpus Christi	Texas	18.70	7.90
Wisconsin Telephone Co.	Green Bay	Wisconsin	X	10.60

Source: NARUC Booklet "Exchange Service Telephone Rates," June 30, 1982.
X-Service Not Offered

FIGURE NO. 6-5

NORTH CAROLINA INTRASTATE TELEPHONE TOLL RATES IN EFFECT DECEMBER 31, 1982

RATE MILEAGE	DAY	
	INITIAL 1 MINUTE	EACH ADDITIONAL MINUTE
0-10	$ .18	$ .11
11-16	.22	.14
17-22	.25	.17
23-30	.30	.20
31-40	.43	.26
41-55	.48	.30
56-70	.50	.32
71-124	.52	.35
125-196	.53	.37
197-292	.56	.39
293-430	.58	.42
431-544	.61	.42

Additional Charges

The following charges are in addition to the Basic Rate Table above when the call is placed using the following operator services:

	Charge Per Call
a. STATION	
(a) Customer Dialed Credit Card	$ .30
(b) All other	.70
b. PERSON	
(a) All calls	$1.70

Rate Discounts and Application Periods

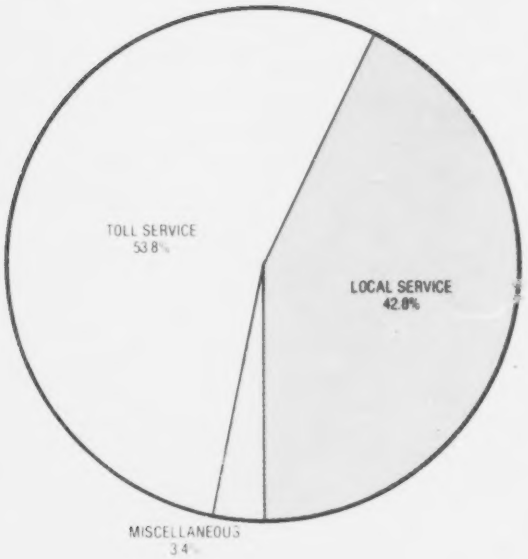
	MON	TUES	WED	THURS	FRI	SAT	SUN
8:00 AM to 12:00 Noon	Day Rate Period FULL RATE						
12:00 Noon to 1:00 PM	Daytime Savings Rate Period 25% Discount						
1:00 PM to 5:00 PM	Day Rate Period FULL RATE						
5:00 PM to 11:00 PM	Evening Rate Period 25% Discount						Eve. 25%
11:00 PM to 8:00 AM	Night & Weekend Rate Period 50% Discount						

DISCOUNTS
Discounts apply equally to total charges for all messages with total fractional amounts rounded down to the lower cent. Discounts do not apply to add on charges for Customer Dialed Credit Card, Other Operator Station or Person Charges.

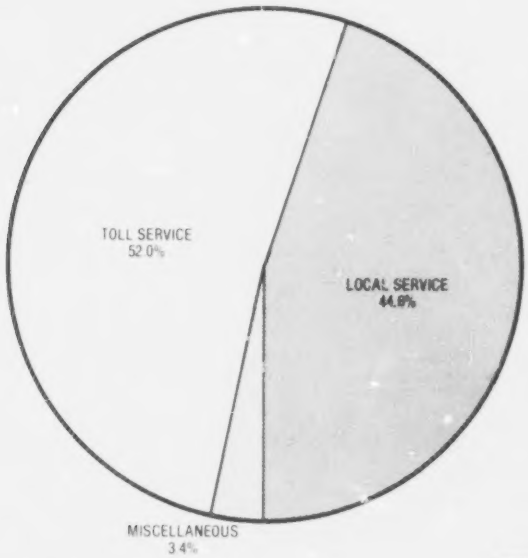
FIGURE NO. 6-6

SOURCE AND DISPOSITION OF THE REVENUE DOLLAR
TELEPHONE COMPANIES
NORTH CAROLINA OPERATIONS ONLY

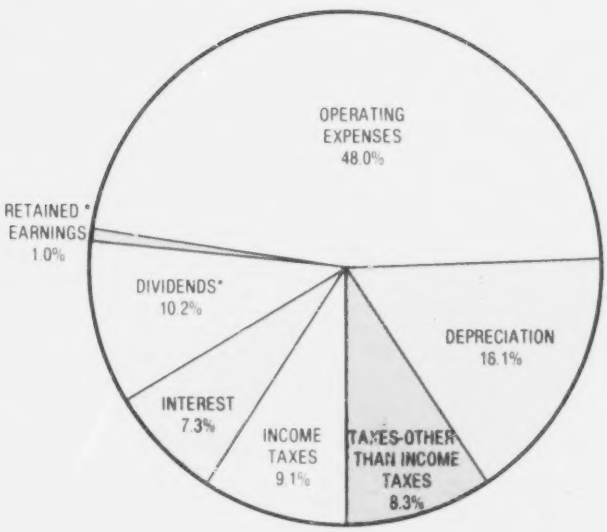
SOURCE 1981



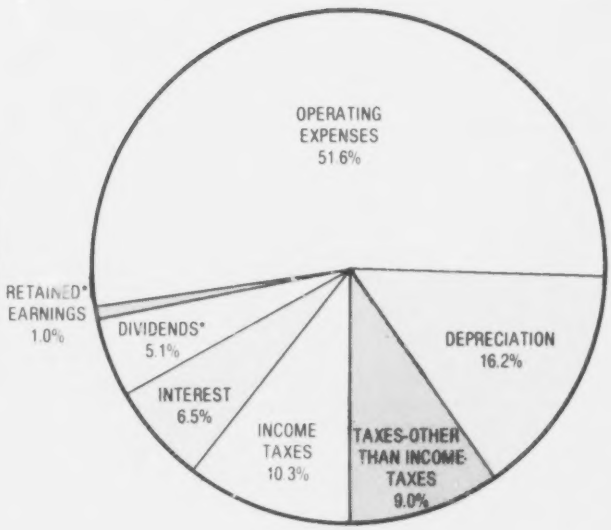
SOURCE 1982



DISPOSITION 1981



DISPOSITION 1982



*Retained Earnings and Dividends per revenue dollar have no relation to the rate of return earned on investment.

FIGURE NO. 6-7

TELEPHONE COMPANIES
PLANT INVESTMENT PER TELEPHONE
WITH PERCENT INCREASE 1982 OVER 1981
(N. C. Data Only)

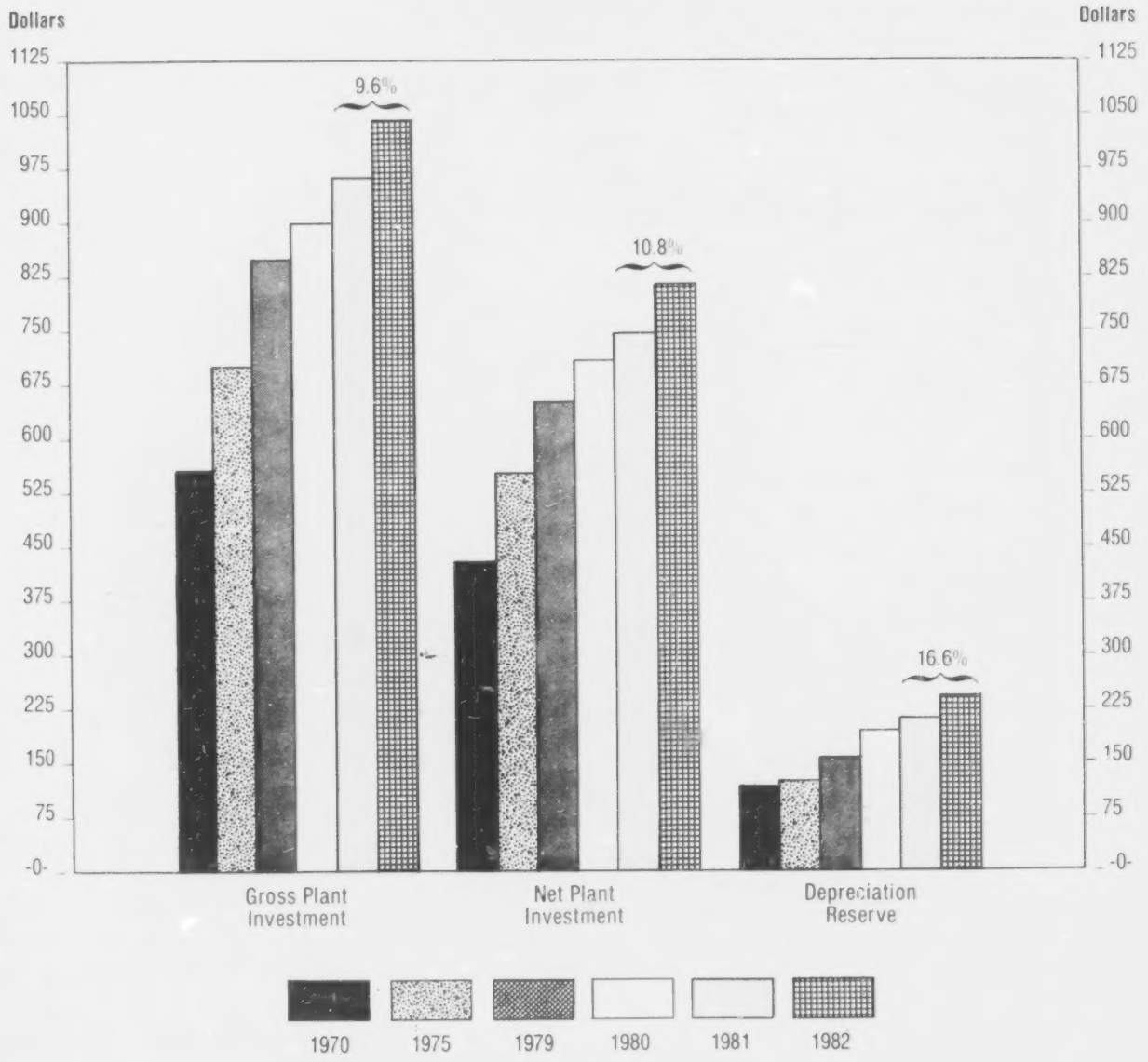


FIGURE NO. 6-8

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1965, 1970, 1975, 1980, 1981, 1982

Class A & B	1965 Per Phone Gross	1965 Per Phone Net	1970 Per Phone Gross	1970 Per Phone Net	1975 Per Phone Gross	1975 Per Phone Net	1980 Per Phone Gross	1980 Per Phone Net	1981 Per Phone Gross	1981 Per Phone Net	1982 Per Phone Gross	1982 Per Phone Net	1981 Total Plant Gross	1981 Total Plant Net	1982 Total Plant Gross	1982 Total Plant Net	1981 vs. 1980 % Change Per Phone Gross	1981 vs. 1980 % Change Per Phone Net	1982 vs. 1981 % Change Per Phone Gross	1982 vs. 1981 % Change Per Phone Net
Carolina Tel. & Tel. Co.[1,8]	$ 556.81	$ 413.31	$ 680.30	$ 525.46	$ 820.89	$ 625.35	$ 971.34	$ 707.28	$ 1,080.72	$ 771.60	$ 1,186.40	$ 840.89	$ 983,949	$ 702,507	$ 1,013,763	$ 718,532	6.0	4.0	3.0	2.3
Central Telephone Co.[2]	390.58	327.98	522.00	435.31	762.60	637.96	887.27	715.66	957.67	739.27	1,080.69	781.84	222,548	171,793	247,161	178,812	3.0	(.1)	11.0	4.1
Citizens Telephone Co.	571.56	504.86	776.13	635.82	892.07	655.20	1,085.12	743.15	1,164.10	809.22	1,303.32	860.64	19,243	13,376	20,644	13,633	11.0	12.0	7.3	1.9
Concord Telephone Co.	334.96	255.36	423.13	308.78	545.97	395.38	616.70	409.80	614.99	395.78	630.54	385.95	59,889	38,541	62,128	38,029	3.0	.1	3.7	(1.3)
Ellerbe Telephone Co.	298.47	175.20	692.04	558.44	734.83	536.56	1,025.22	749.35	933.09	679.44	1,013.19	668.49	2,074	1,419	2,158	1,424	1.0	5.0	4.0	.3
General Tel. Co. of the Southeast[3]	373.86	291.40	739.30	624.61	852.47	691.42	1,018.63	797.88	1,058.80	808.98	1,172.58	891.43	1,773.20	135,482	194,423	147,807	7.0	4.0	9.6	9.1
Heins Telephone Co.	493.96	423.84	481.92	372.04	732.37	571.79	787.01	545.17	813.35	549.54	911.88	614.00	25,428	17,180	27,046	18,211	7.0	4.0	6.4	6.0
Lexington Telephone Co.	364.05	255.03	533.50	406.36	629.94	465.22	722.19	507.36	735.99	504.07	831.80	541.49	21,987	15,058	23,071	15,019	5.0	2.0	5.0	.3
Mebane Home Telephone Co.	512.68	404.24	693.07	510.94	840.11	601.54	980.33	657.50	931.09	593.95	913.32	562.68	6,403	4,084	6,487	3,997	(5.0)	(9.0)	1.3	2.1
Mid-Carolina Telephone Co.[4]	498.84	387.07	620.06	495.66	680.98	515.00	793.61	602.88	822.70	642.92	954.41	704.96	93,590	73,138	109,479	80,865	8.0	11.0	17.0	10.6
North State Telephone Co.	320.64	224.04	394.86	272.55	470.66	317.94	567.03	369.08	594.47	384.40	626.35	400.93	68,217	44,110	71,672	45,878	8.0	7.0	5.1	4.0
Pineville Telephone Co.[5]	—	—	—	—	—	—	715.93	532.33	795.29	579.00	1,135.19	787.02	1,738	1,265	1,800	1,248	11.0	9.0	3.6	1.3
Randolph Telephone Co.	694.71	590.75	824.89	654.17	796.77	562.67	869.53	576.66	890.31	567.88	998.48	632.53	3,379	2,155	3,609	2,286	2.0	(.1)	6.8	6.1
Sandhill Telephone Co.	445.62	323.25	586.88	400.88	622.20	367.70	702.82	424.65	962.36	669.20	907.44	749.28	5,178	3,600	5,097	4,209	41.0	62.0	(1.6)	17.0
Southern Bell Tel. & Tel. Co.[6]	419.57	330.63	507.07	396.48	688.37	427.29	879.25	726.89	923.75	763.52	1,011.11	1,025.80	2,111,017	1,744,761	2,241,917	2,274,486	7.0	6.0	6.2	30.0
Westco Telephone Co.[9]	688.60	596.70	828.30	731.61	991.65	843.52	1,220.66	951.30	1,262.60	968.30			43,432	33,308	129,753	—	4.0	2.0	198.7	—
Western Carolina Tel. Co.[7,9]	542.67	411.53	831.06	728.96	1,047.94	926.71	1,212.69	966.66	1,301.59	1,110.84	1,439.90	1,147.68	75,194	64,174	—	103,405	7.0	15.0	—	61.0
Totals Class A & B	$ 442.36	$ 343.77	$ 561.60	$ 441.48	$ 722.32	$ 576.20	$ 896.34	$ 705.92	$ 953.56	$ 745.70	$ 1,045.97	$ 917.16	$ 3,920,583	$ 3,065,955	$ 4,160,194	$ 3,647,843	6.0	5.0	6.1	18.0
Class C & D																				
Barnardsville Telephone Co.	$ 197.81	$ 139.07	$ 266.02	$ 167.45	$ 322.13	$ 226.67	$ 1,016.36	$ 925.34	$ 1,006.27	$ 896.24	$ 1,213.92	$ 886.40	$ 916	$ 816	$ 1,202	$ 878	2.0	1	31.2	7.0
Continental Tel. Co. of Virginia	1,353.02	1,157.81	870.64	724.34	946.89	764.08	1,071.37	881.60	1,098.63	871.77	1,230.62	968.26	510	405	537	423	5.0	1.0	5.3	4.0
Saluda Mountain Tel. Co.	79.42	29.31	284.57	199.14	401.96	302.68	413.17	274.38	437.64	278.61	447.03	266.15	597	380	648	385	9.0	4.0	8.5	1.0
Service Telephone Co.	317.18	231.85	417.71	301.35	955.67	811.33	724.21	536.56	709.53	525.23	646.18	551.22	1,060	785	974	831	1	1	(8.1)	5.0
Totals Class C & D	$ 265.67	$ 190.43	$ 393.83	$ 287.65	$ 639.90	$ 515.73	$ 724.76	$ 573.18	$ 728.59	$ 563.60	$ 766.85	$ 574.26	$ 3,085	$ 2,386	$ 3,363	$ 2,518	3.0	1.0	9.0	5.0
Grand Totals	$ 442.23	$ 343.65	$ 561.47	$ 441.36	$ 722.25	$ 576.15	$ 896.17	$ 705.79	$ 953.33	$ 745.51	$ 1,045.67	$ 916.78	$ 3,923,669	$ 3,068,342	$ 4,163,558	$ 3,650,362	6.0	5.0	6.1	18.0

[1] United Telephone Company of the Carolinas, Inc., merged with Carolina Telephone and Telegraph Company November 1, 1978. All figures for United Telephone Company of the Carolinas, Inc., for the period 1960-1978 are included in Carolina Telephone and Telegraph Company.

[2] Morris Telephone Company merged with Central Telephone Company November 4, 1965. All figures for Morris for 1975 and prior years are included in Central. Lee Telephone Company merged with Central March 6, 1973. All figures for Lee for 1973 and prior years are included in Central.

[3] General Telephone of North Carolina merged with General Telephone of the Southeast December 21, 1970. All figures for 1970 and prior years for General Telephone of North Carolina are included in General Telephone of the Southeast.

[4] Lilesville Telephone Company merged with North Carolina Telephone Company December 31, 1968, and Denton Telephone Company merged with North Carolina Telephone Company in 1970. Eastern Rowan, Mid-Carolina, Mooresville, and Thermal-Belt Telephone companies merged into Mid-Carolina Telephone Company December 10 1973. All figures for merged companies are included in Mid-Carolina Telephone Company for years prior to 1974. Mid-Carolina Telephone Company, North Carolina Telephone Company, and Old Town Telephone System, Inc., were merged into Mid-Carolina Telephone Company September 30, 1977. All figures for merged companies for 1977 and prior years are included in Mid-Carolina Telephone Company.

[5] Pineville Telephone Company came under Commission jurisdiction January 1, 1976.

[6] Chapel Hill Telephone Company came under Commission jurisdiction January 1, 1973, and was sold to Southern Bell Telephone and Telegraph Company April 1, 1977. All figures for Chapel Hill Telephone Company for 1976 and prior years are included in Southern Bell.

[7] Cooleemee Telephone Company merged with Western Carolina Telephone Company January 11, 1967, and was sold to Yadkin Valley Telephone Membership Corporation May 16, 1978. All figures for Cooleemee for years prior to 1967 are included in Western Carolina.

[8] Norfolk & Carolina Tel. & Tel. Co. merged into Carolina Tel. & Tel. Co. December 27, 1979. All figures for Norfolk & Carolina prior to 1980 are included in Carolina Tel. & Tel. Co.

[9] Westco Telephone Co. and Western Carolina Tel. Co. were merged into Continental Telephone of North Carolina in November, 1982.

N/A — Not Available.

NOTE: Per phone data for all years shown is based on number of regular telephones (excluding service and private) in service at end of year.

FIGURE NO. 6-9

TELEPHONE COMPANIES — CLASSES A, B, C, AND D
SUMMARY OF SELECTED DATA—INCOME, EXPENSES, BALANCE SHEET, AND STATISTICAL ITEMS

For the Calendar Years 1965, 1970, 1975, 1980, 1981, 1982
(N.C. Data Only, Unless Otherwise Noted) (Dollars in 000's)

	1965	1970	1975	1980	1981	1982	% Change More (Less) 1982 over 1981
Number of Companies Regulated	32	29	26	22	21	20	
Number Included in this Data	32	29	25	22	21	20	
Income Items (N.C. Only):							
Local Service Revenue	$ 103,540	$ 168,708	$ 314,658	$ 508,105	$ 584,047	$ 694,568	18.0%
Toll Service Revenue	86,630	163,506	326,870	648,251	732,674	809,983	10.0
Misc. Revenue less Uncollectibles	7,613	11,046	18,412	43,225	46,067	53,747	16.0
Total Operating Revenues	$ 197,783	$ 343,260	$ 659,940	$ 1,199,581	$ 1,362,788	$ 1,558,298	14.0%
Net Rent from/for Lease of Operating Property			523	922	2,601	3,392	30.0
Total Operating Revenues after Rent of Operating Property	$ 197,783	$ 343,260	$ 659,417	$ 1,198,659	$ 1,360,187	$ 1,554,906	14.3%
Expense Items:							
Maintenance	$ 31,723	$ 58,878	$ 125,222	$ 255,556	$ 299,457	$ 354,116	18.0%
Depreciation	32,057	55,898	107,434	203,084	219,637	239,789	9.0
Traffic	21,268	35,179	53,066	62,355	67,163	70,761	5.0
Commercial			40,847	88,775	107,621	129,586	2.0
General Office			25,746	56,269	65,824	76,664	16.0
Other	37,299	65,239	44,109	90,941	106,669	119,179	11.0
Total Operating Expenses Before Taxes	$ 122,347	$ 215,194	$ 396,424	$ 756,980	$ 866,371	$ 990,095	14.0%
State Taxes:							
Income Taxes	$ 3,377	$ 4,451	$ 8,060	$ 14,397	$ 15,780	$ 20,638	30.0%
Gross Receipts	9,152	14,968	29,208	51,822	58,599	67,675	15.0
Property	5,826	11,776	22,573	31,596	32,906	32,303	(1.0)
Other Operating Taxes			269	467	637	452	(29.0)
Total State Taxes	$ 18,355	$ 31,195	$ 60,110	$ 98,282	$ 107,922	$ 121,068	12.0%
Federal Taxes:							
Income Taxes	$ 19,564	$ 30,529	$ 12,702	$ 22,049	$ 24,052	$ 59,850	148.0%
Investment Credits	1,763	1,093	17,650	31,643	27,308	16,506	(39.0)
Deferred Accelerated Depreciation	(277)	(976)	30,231	38,112	55,584	56,706	2.0
Other Taxes			10,405	20,344	25,134	30,228	2.0
Total Federal Taxes	$ 21,050	$ 30,646	$ 70,988	$ 112,148	$ 132,078	$ 163,290	23.0%
Total State & Federal Taxes	39,405	61,841	131,098	210,430	240,000	284,358	18.0
Total Operating Expenses	$ 161,752	$ 277,035	$ 527,522	$ 967,410	$ 1,106,371	$ 1,274,453	15.2%
Net Operating Revenue	$ 36,031	$ 66,225	$ 131,895	$ 231,249	$ 253,816	$ 280,453	10.5%
Other Income (Deductions):							
Interest Charged to Construction			$ 4,958	$ 4,063	$ 2,902	$ 2,440	(15.0)%
Fixed Charges			(55,239)	(88,110)	(99,258)	(99,556)	-0-
Other (Net)			9,260	14,049	2,302	437	(81.0)
Total Other Income (Deductions)	$	$	$ (41,021)	$ (69,998)	$ (94,054)	$ (96,679)	2.0%
Net Income			$ 90,874	$ 161,251	$ 159,762	$ 183,774	15.0%
% Net Operating Income to Total Operating Income				19.3%	18.7%	18.0%	
% Net Income to Total Operating Income				13.5%	11.7%	11.8%	
Balance Sheet Items (N.C. Only):							
Telephone Plant in Service	$ 690,389	$ 1,270,005	$ 2,244,307	$ 3,566,961	$ 3,848,367	$ 4,117,097	7.0%
Less: Depreciation Reserve	153,896	271,675	466,752	781,122	867,495	977,817	12.7
Net Telephone Plant in Service	536,493	998,330	1,777,555	2,785,839	2,980,872	3,139,280	5.3
Telephone Plant Under Construction & Held for Public Use			63,021	110,003	24,074	79,052	228.0
Total Net Telephone Plant	$ 536,493	$ 996,330	$ 1,840,576	$ 2,895,842	$ 3,004,946	$ 3,218,332	7.1%
Balance Sheet Items (Systemwide):							
Long-Term Debt	$ 1,110,037	$ 1,363,554	$ 2,781,295	$ 4,316,656	$ 4,624,639	$ 4,806,537	3.9%
Total Capitalization	3,494,774	3,506,565	6,832,299	10,378,054	11,224,327	11,680,667	4.1
Long-Term Debt % of Total Capitalization							
Including Southern Bell	31.8%	38.9%	40.7%	41.6%	41.2%	41.2%	(.1)%
Excluding Southern Bell	46.4%	49.0%	49.4%	46.7%	45.5%	45.8%	.7%
Statistics (N.C. Only):							
Telephones in Service — Year End							
Residence — Mains	891,622	1,183,560	1,517,288	1,807,313	N/A	N/A	—%
— Extensions	262,804	493,942	889,590	1,296,753	N/A	N/A	—
Total Residence Phones	1,154,426	1,677,502	2,406,878	3,104,066	3,102,217	2,969,269	(4.3)
Business — Mains	140,054	185,393	244,387	306,627	N/A	N/A	—
— Extensions	115,478	155,616	206,493	271,418	N/A	N/A	—
Total Business Phones	255,532	341,009	450,880	578,045	583,433	591,086	(1.0)
Coin Operated, PBX Units & Special Services	178,416	272,202	378,041	457,612	430,287	421,695	(2.0)
Grand Total of all Telephones in Service	1,588,374	2,290,713	3,235,799	4,139,723	4,115,937	3,982,050	(3.3)%
Average Number of Calls per Telephone (Class A & B only)							
Local	2,131	2,101	1,978	1,710	1,784	1,910	7.0%
Toll	63	85	113	198	368	346	(5.9)
Total Average Number of Employees	12,324	17,791	19,461	21,678	21,714	21,254	(2.1)
Total Wages & Benefits Paid Employees (Est.)	$ 68,423	$ 121,531	$ 221,163	$ 404,832	$ 452,180	$ 490,975	8.6
Average Annual Wages & Benefits Paid Employees (actual $)	$ 5,552	$ 6,831	$ 11,364	$ 18,675	$ 20,824	$ 23,100	10.9%

VII. Water And Sewer Companies

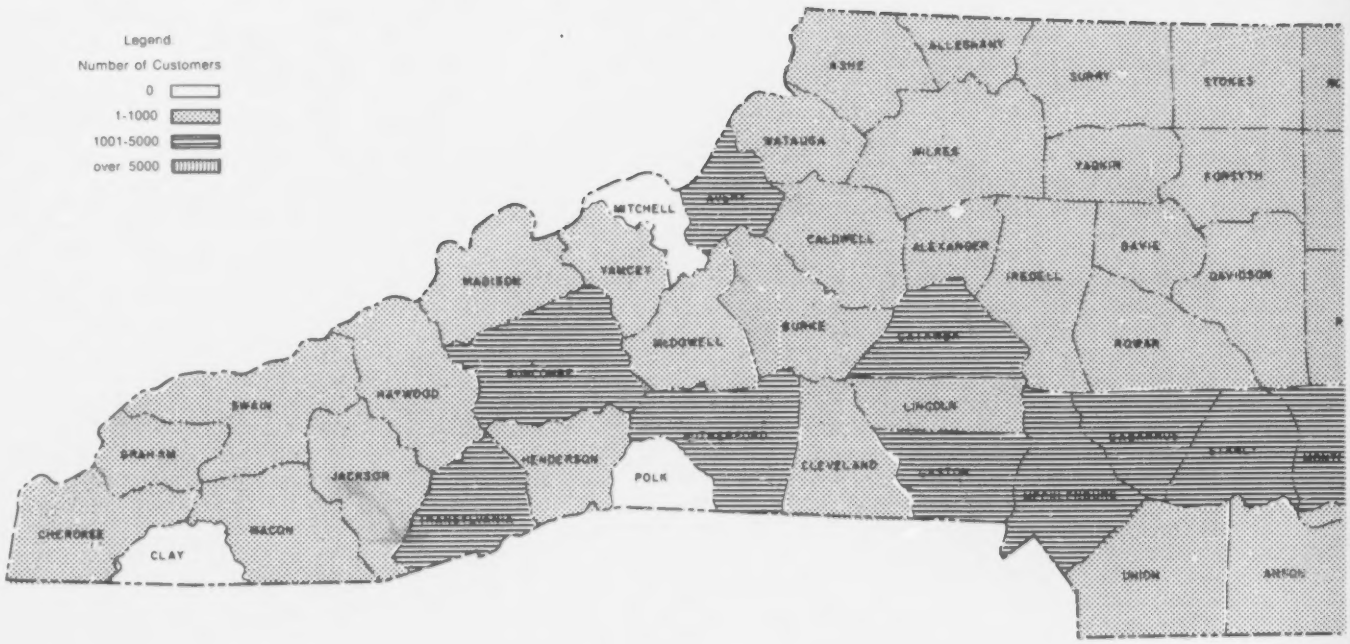


FIGURE NO. 7-1

Distribution of Customers
Served by
REGULATED WATER & SEWER UTILITIES
on December 31, 1982

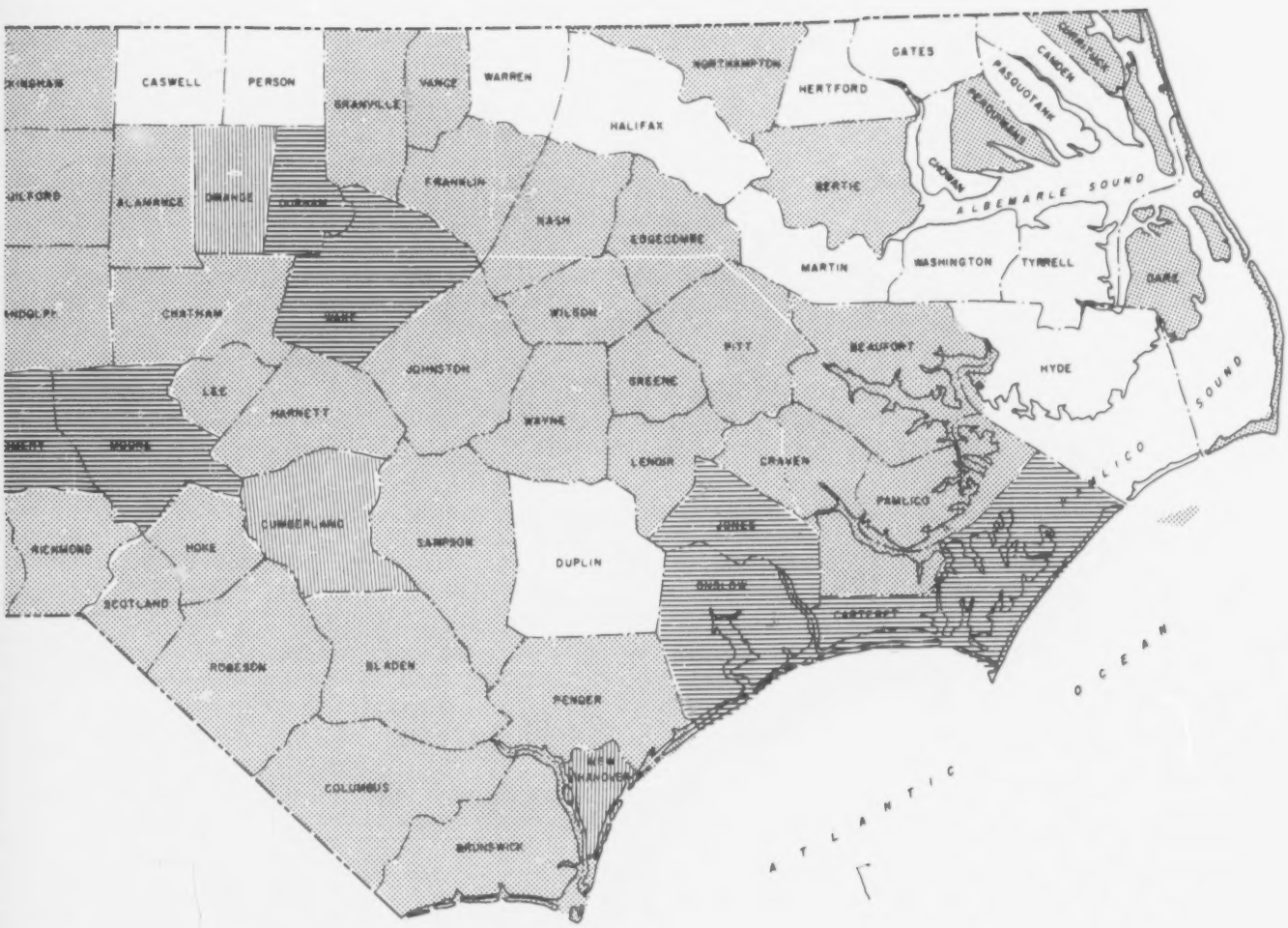

CASWELL
PERSON
GRANVILLE
VANCE
WARREN
HALIFAX
NORTHAMPTON
GATES
HERTFORD
CHOWAN
PERQUIMANS
PASQUOTANK
CAMDEN
CURRITUCK
ALAMANCE
ORANGE
FRANKLIN
NASH
EDGECOMBE
BERTIE
ALBEMARLE SOUND
MARTIN
WASHINGTON
TYRRELL
DARE
CHATHAM
WILSON
PITT
BEAUFORT
HYDE
PAMLICO SOUND
LEE
HARNETT
JOHNSTON
GREENE
WAYNE
LENOIR
CRAVEN
PAMLICO
MOORE
RICHMOND
HOKE
CUMBERLAND
SAMPSON
DUPLIN
JONES
ONSLOW
CARTERET
SCOTLAND
ROBESON
BLADEN
PENDER
COLUMBUS
BRUNSWICK
ATLANTIC OCEAN

FIGURE NO. 7-2

DISTRIBUTION OF SYSTEMS AND CUSTOMERS
N.C. REGULATED WATER AND SEWER UTILITIES
for December 31, 1981 and 1982

County	No. of Systems 1981	No. of Systems 1982	No. of Customers 1981	No. of Customers 1982
Alamance	6	4	181	55
Alexander	16	20	325	827
Alleghany	1	1	131	137
Anson	1	2	62	73
Ashe	2	4	192	219
Avery	12	9	1,320	1,526
Beaufort	3	3	156	156
Bertie	2	2	30	30
Bladen	1	-0-	11	-0-
Brunswick	5	3	418	389
Buncombe	6	4	2,423	118
Burke	8	9	161	84
Cabarrus	39	25	1,909	1,942
Caldwell	7	7	400	300
Camden	-0-	-0-	-0-	-0-
Carteret	13	9	2,244	329
Caswell	3	1	22	28
Catawba	83	91	2,893	5,019
Chatham	4	4	458	248
Cherokee	3	3	195	209
Chowan	-0-	-0-	-0-	-0-
Clay	-0-	-0-	-0-	-0-
Cleveland	8	8	434	431
Columbus	4	3	103	81
Craven	6	6	1,386	741
Cumberland	61	61	23,265	26,723
Currituck	-0-	-0-	-0-	-0-
Dare	2	1	302	302
Davidson	1	1	62	67
Davie	4	2	222	155
Duplin	-0-	-0-	-0-	-0-
Durham	18	13	1,043	618
Edgecombe	2	2	114	121
Forsyth	13	10	901	1,266
Franklin	1	3	231	410
Gaston	96	86	4,632	4,476
Gates	-0-	6	-0-	-0-
Graham	1	1	12	12
Granville	6	3	63	48
Greene	-0-	-0-	-0-	-0-
Guilford	6	6	272	197
Halifax	-0-	-0-	-0-	-0-
Harnett	15	9	655	531
Haywood	4	4	108	133
Henderson	8	7	598	273
Hertford	-0-	-0-	-0-	-0-
Hoke	2	2	88	102
Hyde	-0-	-0-	-0-	-0-
Iredell	26	22	965	232
Jackson	6	6	1,120	1,638
Johnston	8	1	217	28
Jones	-0-	-0-	-0-	-0-
Lee	5	3	840	934
Lenoir	6	5	1,098	900
Lincoln	7	7	563	204
Macon	3	3	161	193
Madison	1	1	265	280
Martin	-0-	-0-	-0-	-0-
McDowell	-0-	-0-	-0-	-0-
Mecklenburg	42	27	9,077	9,215
Mitchell	-0-	-0-	-0-	-0-
Montgomery	2	3	359	222
Moore	10	10	4,223	3,651
Nash	2	5	34	443
New Hanover	40	47	8,642	7,890
Northampton	1	2	23	23
Onslow	26	35	2,577	3,713
Orange	8	10	370	78
Pamlico	-0-	-0-	-0-	-0-
Pasquotank	-0-	-0-	-0-	-0-
Pender	1	-0-	32	-0-
Perquimans	1	1	723	726
Person	-0-	-0-	-0-	-0-
Pitt	5	5	630	633
Polk	1	1	17	17
Randolph	13	12	604	358
Richmond	2	-0-	12	-0-
Robeson	-0-	-0-	-0-	-0-
Rockingham	9	8	269	119
Rowan	27	34	902	478
Rutherford	8	8	4,385	4,338
Sampson	1	1	43	43
Scotland	7	9	892	1,050
Stanly	7	6	183	177
Stokes	4	10	345	876
Surry	30	28	774	892
Swain	1	1	11	-0-
Transylvania	5	6	5,079	5,188
Tyrrell	-0-	-0-	-0-	-0-
Union	6	6	897	597
Vance	1	-0-	27	-0-
Wake	85	84	4,589	7,847
Warren	-0-	-0-	-0-	-0-
Washington	-0-	-0-	-0-	-0-
Watauga	7	21	815	745
Wayne	8	8	875	500
Wilkes	1	1	18	18
Wilson	7	9	371	440
Yadkin	1	1	18	-0-
Yancey	1	2	53	61
Total	905	884	101,120	103,123

A. General Comments

As of December 31, 1982, there were 884 regulated water and sewer systems in North Carolina owned by 375 companies. These are comprised of 804 water and 80 sewer systems. This shows a 2.3% decrease over 1981. As of December 31, 1981, there were 905 regulated water and sewer systems, made up of 829 water and 76 sewer systems. These systems were owned by 413 companies. The General Statutes of North Carolina provide in part that anyone owning or operating facilities for furnishing water and sewer service to the public for compensation is a public utility, except when such person's sole operation consists of selling water to fewer than ten (10) residential customers. Specifically exempt from regulation under the statutes are municipalities, sanitary districts, and anyone who furnishes water or sewer service to himself, his tenants, or his employees. The statutes also exempt certain consumer-owned corporations.

Figure Nos. 7-1 and 7-2 show a map and, in chart form, the locations of the water and sewer systems by counties with the number of systems and customers in each county.

In 1982 approximately 96% of the regulated companies received less than $50,000 in annual revenues, and only four companies received more than $500,000. Similarly, in 1981 95.2% of the regulated companies received less than $50,000 in annual revenues, and no company received more than $500,000. In 1981 approximately 69% of the companies served fewer than 100 customers. In 1982 there was a decrease to 61% for companies who serve less than 100 customers.

One of the major problems encountered in regulating small water and sewer utilities is the lack of keeping adequate records. Many small utility owners quite possibly subsidize operations for several years because of inadequate records which are required to file and justify a rate increase. As a result of the 375 companies franchised to operate in 1982, statistical operating data is only included for 367 of the companies. Similarly for 1981 only 383 of the 413 companies furnished operating data.

The Commission has recently adopted a simplified (2-page) annual report form which should encourage Class D utilities to maintain minimum records of their expenses. This should enable small companies to keep accurate records and provide them with information which could be used to file on a timely basis if needed for rate relief.

There has been a trend for larger utilities to absorb smaller ones. This enables the customers to obtain the benefit of a large customer base, more expertise in utility operations, and better response to service problems. In addition, larger utilities are more capable of obtaining financing for capital improvements which has proven to be a serious problem for smaller operations.

In 1981 and 1982 approximately 70% and 60%, respectively, of the customers of regulated water companies in North Carolina received metered service, and in 1982 approximately 61% of the customers were furnished water treated in some manner, usually by chlorination. In some systems, water is treated with phosphates to control excess iron, and a few systems have filters for iron removal. Approximately 14% of the customers are served by water systems having fire protection capability. A few of the companies purchase water from municipalities for resale to their customers, but most of the companies supply water by means of deep wells.

B. Commission Activities

During 1982, applications for general rate increases were filed by 48 water and/or sewer companies. Forty-four water and sewer companies serving 24,797 customers filed general rate increases in 1981. These requests for additional revenues totaled $976,418 in 1981 and $1,128,688 in 1982.

Applications for new franchises totaled 21 in 1981 and 31 in 1982. In addition, there were 28 requests for transfers of franchise in 1981 and 15 in 1982. In 1981 there were 17 miscellaneous proceedings such as abandonment or cancellation of franchise, mergers, and stock transfers. There were only 11 miscellaneous proceedings in 1982.

C. Regulated vs. Nonregulated Monthly Charges

Comparative monthly charges for residential water service between selected nonregulated municipal systems and regulated water systems in North Carolina are shown in Figure No. 7-7. This also shows the same comparable component for residential sewer service in North Carolina for the same period.

The Outside City Limits charges for municipal systems vary from 1 to 2½ times the Inside City Limit rates.

D. Statistical Summary

The number of regulated utility companies furnishing water and sewer service in North Carolina decreased to 375 in 1982 compared to 413 at December 31, 1981. The 375 companies in 1982 operated 804 water systems and 80 sewer systems within the State. They served 103,123 water and sewer customers and received $12,555,126 annual revenues from a gross investment in plant of $63,506,414 at December 31, 1982.

In 1981 the 413 companies operated 829 water systems and 76 sewer systems within the State. There were 101,120 water and sewer customers

and $10,518,686 in annual revenues. The gross plant investment at December 31, 1981, was $66,921,586. See Figure No. 7-6 for a graphic presentation of the customer, revenue, and plant growth of the regulated water and sewer companies.

Of the 375 water and sewer companies regulated as of December 31, 1982, five (5) water companies and five (5) water/sewer companies had records in sufficient detail to provide some comparative data to be developed for this report. The individual financial and statistical data for these 10 companies for the years 1981 and 1982 is shown on Figure Nos. 7-4 and 7-5.

Caution should be used in applying the results of the data shown for these 10 companies to any specific situation. The data is taken directly from the annual reports without any adjustments. Experience has shown that the Commission usually makes substantial adjustments to the data filed by water and water/sewer companies for ratemaking purposes. The adjustments are most frequently made to the plant accounts and the related depreciation expenses claimed against the plant investment. Most of the adjustments are downward to reflect the elimination of plant contributed or plant investment recovered by the developers or owners through the sales price of the lots in subdivisions. Often, there are downward adjustments in both the plant account and in operation expenses due to the system's having unreasonably large unused customer capacity during the early stage of development. In view of these limitations, the average water usage and revenues per customer have the most valuable use for comparative or planning purposes.

FIGURE NO. 7-3

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Acqua, Inc., Hickory, N.C.	W-270	9,473	8,785			94	97			1	1		
Alamance Village Utility Corp., Graham, N.C.	W-671	N/R	N/R			N/R	N/R			1	1	1	1
Alexander Water Supply, Kannapolis, N.C.	W-019	997	N/R			20	N/R			1	N/R		
Allen Hills Water Company Inc., Charlotte, N.C.	W-050	4,115	4,317			49	49			1	1		
All Star Mobile Home Park, Raleigh, N.C.	W-628	937	920			11	11			1	1		
Anderson Creek Homes Water System, Spring Lake, N.C.	W-724	1,062	3,811			26	43			1	1		
Anderson Creek Water Company, Spring Lake, N.C.	W-336	3,323	2,785			67	68			1	1		
Anderson, Wayne, China Grove, N.C.	W-566	2,034	2,070			30	30			1	1		
Aqua Co., Wilmington, N.C.	W-190	1,186	1,897			24	24			1	1		
Associated Realty & Investment, Blowing Rock, N.C.	W-384	3,721	5,354			30	77			1	1		
Associated Utilities, Inc., Wilmington, N.C.	W-303	48,633	52,712	37,868	48,594	462	525	298	420	3	3	3	3
Atlantic Beach Sales & Service, Morehead City, N.C.	W-075	53,750	N/R			733	N/R			1	N/R		
Avalon Water System, Inc., Greensboro, N.C.	W-382	876	1,367			19	17			1	1		
Aycock, Gene, Water Co., Kannapolis, N.C.	W-008	7,252	7,276			137	137			3	3		
B. & C. Builders, Inc., Hickory, N.C.	W-697	8,143	9,450			91	91						
Bailey's Utilities, Inc., Raleigh, N.C.	W-365	74,579	139,081			682	1,013			12	16		
Baker Water Service, Inc., Wadesboro, N.C.	W-756	N/R	2,032			N/R	11			N/R	1		
Bald Mountain Development Corp., Mars Hill, N.C.	W-410	5,680	31,694			171	280			1	1		
Barrier Grain Company, Mt. Pleasant, N.C.	W-688	992	1,671			15	17			1	1		
Bayview Water Works, Belhaven, N.C.	W-565	6,917	6,917			93	93			1	1		
Beachwood Distributing Co., Inc., Newton, N.C.	W-622	482	N/R			8	N/R			1	N/R		
Bear Paw Company, Murphy, N.C.	W-500	5,875	10,765	973	2,638	115	142	32	47	1	1	1	1
Beard, W.H., Archdale, N.C.	W-351	5,085	6,100			143	101			2	2		
Beatties Ford Utility Co., Charlotte, N.C.	W-192	24,191	24,191	24,191	24,191	359	359	359	359	1	1	1	1
Bellview Water System, Inc., Shelby, N.C.	W-684	299	299			6	6			1	1		
Belmont Water Co., Inc., Fayetteville, N.C.	W-393	2,466	2,401			31	31			1	1		
Bermuda Run Country Club, Inc., Advance, N.C.	W-707			11,256	12,250			140	151			1	1
Bess Brothers, Inc., Gastonia, N.C.	W-331	11,359	11,359			186	186			5	5		
Bess, Cregg, Inc., Gastonia, N.C.	W-281	17,570	17,570			260	260			6	6		
Bethlehem Utilities, Inc., Hickory, N.C.	W-259	29,950	32,255			270	282			4	4		
Billingsley, W.D. & John T., Reidsville, N.C.	W-632	2,420	2,305			30	31			1	1		
Birchwood Farms, Inc., Hope Mills, N.C.	W-656	1,606	2,279			36	50			1	1		
Boiling Spring Lakes Water Co., Charleston, S.C.	W-582	1,740	1,740			31	31			1	1		
Bolick, Albert L., Newton, N.C.	W-430	1,342	1,609			18	18			1	1		
Bostain Water System, Hickory, N.C.	W-161	882	N/R			26	N/R			1	N/R		
Bradshaw Water Co., Charlotte, N.C.	W-103	2,780	2,482			49	50			1	1		
Brandywine Bay Utility Co., Raleigh, N.C.	W-693	4,556	4,556	4,556	4,556	49	65	47	60	1	1	1	1
Brightwater Water Dept., Hendersonville, N.C.	W-151	5,164	7,807			92	88			1	1		
Brindle Well Drilling, Gastonia, N.C.	W-228	5,061	5,500			77	77			2	2		
Brookside Water Company, Waynesville, N.C.	W-330	1,044	1,044			29	29			1	1		
Brookwood Water Corporation, Fayetteville, N.C.	W-177	293,909	359,755			3,695	3,879			10	12		
Brown, E.S., Asheville, N.C.	W-732	N/R	N/R			N/R	N/R			N/R	N/R		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Browning Enterprises, Inc., Hendersonville, N.C.	W-569	4,825	4,870			46	50			1	1		
Buffalo Meadows Utility Co., Boone, N.C.	W-312	2,291	2,291	2,292	2,292	21	21	21	21	1	1	1	1
Buffaloe Water System, Raleigh, N.C.	W-635	3,242	2,589			22	27			1	1		
C & L Utilities, Inc., Wilmington, N.C.	W-535	13,896	22,779			151	202			2	2		
C & M Collection Agency, Inc., Statesville, N.C.	W-388	5,594	5,680			85	46			2	1		
C.N. & H. Corporation, Wilson, N.C.	W-685	4,491	4,996			74	74			1	1		
Cape Fear Utilities, Inc., Wrightsville Beach, N.C.	W-297	196,560	265,174	75,970	114,692	1,585	1,226	451	502	13	13	6	6
Cape Fear Water Co., Fayetteville, N.C.	W-232	38,709	36,254			555	560			2	2		
Cardinal Estates Water Co., Newton, N.C.	W-701	376	565			5	5			1	1		
Cardinal Water Co., Greensboro, N.C.	W-668	16,152	32,764			113	197			1	1		
Carolina-Blythe Utility Company, Little River, S.C.	W-503	36,001	48,240	51,850	62,652	131	156	132	202	1	1	1	1
Carolina Pines Construction Co., Havelock, N.C.	W-341	4,965	6,083			57	59			1	1		
Carolina Trace Corp., Sanford, N.C.	W-436	32,714	38,269	26,766	31,477	346	433	270	376	1	1	1	1
Carolina Water Service of N.C., Northbrook, Ill.	W-354	365,829	598,301	117,081	134,563	4,966	5,180	866	1,780	32	36	4	8
Castor Court Water Co., Inc., Kannapolis, N.C.	W-423	850	850			17	18			1	1		
Chapel Hills Utility Co., Boone, N.C.	W-310	5,886	7,488			69	69			1	1		
Cherokee Hills Holding Corp., Palm Beach Gardens, Fla.	W-643	1,254	1,122			18	20			1	1		
Chimney Rock Water Works, Chimney Rock, N.C.	W-102	5,227	5,227			105	105			1	1		
Clear Meadow Water, Inc., Matthews, N.C.	W-715	N/R	3,895			12	40			2	2		
Cleveland Water Systems, Inc., Shelby, N.C.	W-301	10,054	10,273			156	155			1	1		
Cliffdale Water Co., Fayetteville, N.C.	W-203	10,660	13,463			174	190			1	1		
Cline, H.C., Building & Supply Co., Hickory, N.C.	W-418	2,373	2,729			46	48			1	1		
Coastal Plains Utility Co., Wilmington, N.C.	W-215	73,518	67,590			686	695			3	4		
Collins, Robert, Water Supply, Kannapolis, N.C.	W-519	1,637	1,637			28	28			1	1		
Colony Park Utilities Company, Durham, N.C.	W-208	6,000	N/R	179	N/R	108	N/R	22	N/R	1	N/R	1	N/R
Colony Water of Morehead City, Inc., Morehead City, N.C.	W-654	2,450	2,450			31	31			1	1		
Combs, Robert F., Stoney Point, N.C.	W-328	2,268	2,268			27	39			2	3		
Community Water Works, Inc., Statesville, N.C.	W-316	9,006	8,922			76	76			2	2		
Conner Homes Corp., Newport, N.C.	W-343	3,132	3,132			47	46			1	1		
Consolidated Utilities, Inc., Wrightsville Beach, N.C.	W-332	1,236	4,860			18	42			1	1		
Cook, L.V., Water Supply, Albemarle, N.C.	W-540	5,965	5,965			104	104			2	2		
Coral Park Community Well, Lincolnton, N.C.	W-717	726	1,296			11	12			1	1		
Corriher Water Service, Inc., China Grove, N.C.	W-233	77,980	98,334			922	963			19	19		
Country Hills Water Company, Monroe, N.C.	W-609	3,081	1,974			27	28			1	1		
Country Estates Utility Company, Matthews, N.C.	W-660	17,523	N/R	16,880	N/R	108	N/R	45	N/R	1	N/R	1	N/R
Crater Water System, Charlotte, N.C.	W-185	3,454	2,125			42	40			1	1		
Crestview Water Company, Kinston, N.C.	W-195	3,093	21,140			57	334			1	1		
Crestview Water Systems, Inc., Salisbury, N.C.	W-325	3,008	23,975			52	57			1	1		
Cross-State Development Company, Fleetwood, N.C.	W-408	4,000	4,000			119	119			1	1		
Crowsdale Water, Inc., Raleigh, N.C.	W-588	3,619	3,619			140	140			1	1		
Cumberland Water Company Inc., Fayetteville, N.C.	W-169	288,027	325,000	187,332	194,825	3,773	3,894	1,818	1,858	11	11	3	3

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Davis, Roy A. & Virginia B., Wilson, N.C.	W-631	1,221	1,750			14	18			1	1		
Devlynn Investment Company, Inc., Hickory, N.C.	W-539	4,116	N/R			44	N/R			1	N/R		
Dillard Grading Company, Sylva, N.C.	W-340	6,332	6,332			85	85			2	2		
Dockery's Water Systems, Gastonia, N.C.	W-721	12,524	12,343			129	133			2	2		
Duan Water Works, Inc., Newton, N.C.	W-346	-0-	-0-			20	28			1	1		
Duchess Forest Water Supply, Whiteville, N.C.	W-324	2,731	4,590			34	34			1	1		
Duke Power Company, Rutherfordton, N.C.	W-094	438,679	931,883			3,733	3,893			1	1		
Duncan, Gordon, Belmont, N.C.	W-483	1,138	1,197			15	14			1	1		
East Federal Savings & Loan Assoc., Kinston, N.C.	W-439	22,764	N/R	8,194	N/R	251	N/R	142	N/R	1	N/R	1	N/R
East Rutherford Water System, Inc., Forest City, N.C.	W-527	1,830	1,830			30	30			1	1		
Economy Finance Co. of Concord, Kannapolis, N.C.	W-528	1,354	2,748			11	11			1	1		
Edgewood Water System, Kannapolis, N.C.	W-570	446	446			23	23			1	1		
Edwards Millwork & Builder Supply, Spring Hope, N.C.	W-134	2,535	3,154			31	34			1	1		
Eno Industrial Sewer Facility, Durham, N.C.	W-763	N/R	N/R	N/R	9,277	N/R	N/R	N/R	4	N/R	N/R	N/R	1
Evans, Leroy, Colerain, N.C.	W-594	900	900			18	18			1	1		
FDB, Inc., Tuxedo, N.C.	W-544	525	70			9	11			1	1		
F&H Water Company, Atlantic Beach, N.C.	W-545	2,838	2,925			40	40			1	1		
Faggart, H.E., Concord, N.C.	W-078	1,368	1,395			38	39			1	1		
Fairway Acres Water System, Lenoir, N.C.	W-260	3,458	4,431			53	59			1	1		
Fairbrook Utility Co., Newton, N.C.	W-674	1,080	1,080			18	18			1	1		
Fairway Shores Water Company, Mt. Gilead, N.C.	W-309	3,690	4,695			50	77			1	1		
Falling Creek Water Co., Kinston, N.C.	W-590	7,112	26,295			310	337			1	1		
Falls, Ralph L., Gastonia, N.C.	W-268	17,682	16,762			312	374			5	6		
Farmer, Arthur V., Lenoir, N.C.	W-506	1,140	1,254			20	20			1	1		
Faw, Mrs. Francis S., Hickory, N.C.	W-087	5,840	6,648			130	130			1	1		
Fearrington Utilities, Mebane, N.C.	W-661	32,396	38,100			395	248			3	2		
Figure 8 Island Utility Co., Wrightsville Beach, N.C.	W-246	18,763	36,515			148	194			1	1		
Finger, Heavner, & Goodson, Lincolnton, N.C.	W-441	1,872	2,146			52	52			1	1		
Finger, John R., Kannapolis, N.C.	W-644	2,300	2,666			27	29			1	1		
Flanders Filters, Inc. Washington, N.C.	W-542	838	1,314			7	14			1	1		
Flat Mountain Estates Water Systems, Inc., Highlands, N.C.	W-726	1,782	1,782			32	32				1		
Fleetwood Falls, Inc., Fleetwood, N.C.	W-380	6,371	7,448			65	79			1	1		
Foreman, J.D., Salisbury, N.C.	W-077	1,855	2,394			35	36			1	1		
Forest Acres Water Company, Taylorsville, N.C.	W-626	1,639	2,082			22	22			1	1		
Forest Trails Utility, Raleigh, N.C.	W-678	1,338	890			31	31			1	1		
Forrest, P. Tony, Taylorsville, N.C.	W-318	1,319	1,319			18	18			1	1		
Fox Fire Water System, Gastonia, N.C.	W-725	121	108			1	1			1	1		
Fox Ridge Owner's Assoc., Hendersonville, N.C.	W-762	N/R	1,810			N/R	23			N/R	1		
G.F. Company, Linville, N.C.	W-271	18,345	6,552	9,172	5,862	140	151	140	149	2	2	2	2
Gabriel's Pinewood Acres, Sherrills Ford, N.C.	W-344	1,381	N/R			13	N/R			1	N/R		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Gaither Water Company, Statesville, N.C.	W-621	1,705	2,410			34	39			1	1		
Gallagher Trails, Inc., Gastonia, N.C.	W-603	1,078	1,327			35	32			1	1		
Gaston Builders, Inc., Gastonia, N.C.	W-737	N/R	3,251			29	32			N/A	N/A		
Genoa Water Systems, Inc., Goldsboro, N.C.	W-321	39,364	43,897			266	280			2	2		
Gensinger, John W., Raleigh, N.C.	W-549	2,253	2,253			27	27			1	1		
Glendale Water, Inc., Raleigh, N.C.	W-691	34,513	62,051			330	395			9	12		
Glynnwood Mobile Home Park, Wilmington, N.C.	W-454	1,974	3,944			28	84			1	1		
Godley, M.R., Charlotte, N.C.	W-652			1,080	1,080			3	3			1	1
Goose Creek Utility Company, Charlotte, N.C.	W-369	26,624	33,305	32,103	44,306	192	209	191	195	1	1	1	1
Goss Utility Company, Durham, N.C.	W-457	28,372	38,312			205	304			2	5		
Gower, Jerry, Constr. Company, Knightdale, N.C.	W-465	N/R	1,418			3	18			1	1		
Graham, R.E., Raleigh, N.C.	W-184	2,467	3,337			39	46			1	1		
Grandview Water Company, Inc., Pfafftown, N.C.	W-183	31,297	40,685			304	307			2	2		
Grandfather Golf and Country Club, Linville, N.C.	W-755	19,329	19,329	17,145	17,145	153	153	159	159	2	2	2	2
Greenfield Heights Development, Havelock, N.C.	W-205	828	3,240			8	16			1	1	1	1
Gresham's Lake Utility Co., Inc., Raleigh, N.C.	W-633	8,400	12,119	4,583	5,137	3	4	3	4	1	1	1	1
Grove Supply Co., Inc., China Grove, N.C.	W-587	1,080	690			18	18			1	1		
H & A Water Services, Inc., Locust, N.C.	W-510	32,944	35,790			327	6			6	1		
H & H Development Corporation, Wilmington, N.C.	W-315	2,165	5,680	5,250	3,961	39	39	21	21	1	1	1	1
HIC Water & Sewer Corporation, Durham, N.C.	W-212			8,800	7,678	134	134	124	116			1	1
H & M Water Company, Inc., Morehead City, N.C.	W-147	9,843	10,291			97	82			1	1		
Hanover Services, Inc., Hubert, N.C.	W-323	10,009	N/R			11	N/R			1	N/R		
Hare, John E., Apex, N.C.	W-417	1,498	2,041			16	16			1	1		
Harmony Heights Water Company, Raeford, N.C.	W-481	4,538	8,422			67	82			1	1		
Harnett Lakes Water Company, Inc., Fayetteville, N.C.	W-210	4,265	4,077			75	72			1	1		
Harris, John L., Landis, N.C.	W-634	1,170	1,575			19	19			1	1		
Hart Water Systems, Inc., Hickory, N.C.	W-739	18,484	19,480			149	149			N/A	N/A		
Harward's Realty & Ins. Co., Concord, N.C.	W-710	3,236	3,780			37	39			1	1		
Hasty Water Utilities, Inc., Knightdale, N.C.	W-400	159,237	232,843			1,352	1,854			17	22		
Havelock Development Corp., Havelock, N.C.	W-223	15,735	23,236			139	168			1	1		
Hawkins, Paul, Company, Coleen, N.C.	W-550	23,015	16,348			357	310			2	2		
Hayden Vanderburg Enterprises, Inc., Concord, N.C.	W-761	5,941	5,941			24	24			1	1		
Hazelwood Water Corporation, Rocky Mount, N.C.	W-749	3,625	7,854			61	68			1	1		
Heater Utilities, Inc., Cary, N.C.	W-274	356,514	440,537			2,335	3,117			29	29		
Hefner Builders, Inc., Taylorsville, N.C.	W-480	1,005	1,760			14	14			2	2		
Helms Water System, Stanley, N.C.	W-729	1,680	N/R			35	N/R			N/A	N/R		
Helms Water Company, Charlotte, N.C.	W-592	1,418	1,935			18	18			1	1		
Hendrix-Barnhill Company, Inc., Greenville, N.C.	W-658	2,441	3,224			30	33			1	1		
Hendrix Development Company, Inc., Salisbury, N.C.	W-616	2,308	2,430			42	42			1	1		
Hensley Enterprises, Inc., Lowell, N.C.	W-089	140,033	170,372			1,288	1,471			24	31		
Heritage Water Company, Inc., Raleigh, N.C.	W-679	6,559	9,938			55	84			1	1		
Hickory Colonial Furniture Co., Inc., Hickory, N.C.	W-702	1,248	1,424			12	13			1	1		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Hickory Hills Service Co., Inc., Jacksonville, N.C.	W-460	37,923	39,502			386	417			2	2		
High Hampton, Inc., Cashiers, N.C.	W-574	6,108	8,184			39	66			1	1		
High Meadows Water & Utilities, Wilkesboro, N.C.	W-061	12,111	16,127			113	137			1	1		
Highlands Golf, Ltd., Highlands, N.C.	W-719	9,573	N/R			96	N/R			1	N/R		
Holbrook, Mrs. M.L., Gastonia, N.C.	W-433	2,600	2,307			26	26			1	1		
Holiday Island Property Owners, Hertford, N.C.	W-386	11,506	24,284			615	726			1	1		
Hollandale Water Company, Gastonia, N.C.	W-419	1,406	1,421			26	27			1	1		
Holt, Edgar Lee, Kannapolis, N.C.	W-606	1,316	1,512			20	21			1	1		
Home Realty Co. & Insurance, Kannapolis, N.C.	W-521	3,044	3,044			40	42			1	1		
Homestead Community Water, Ridge Manor, Fla.	W-452	2,205	2,859			34	36			1	1		
Honey Hill Water Company, Whiteville, N.C.	W-420	2,166	2,014			25	25			1	1		
Honeycutt, Wayne M., Dallas, N.C.	W-472	4,630	5,029			44	48			3	3		
Hope Brothers Builders, Inc., Statesville, N.C.	W-413	216	216			4	4			1	1		
Hound Ears Lodge & Club, Inc., Blowing Rock, N.C.	W-397	26,461	33,541	5,439	11,972	287	316	95	127	1	1	1	1
Huey, Wade, Weaverville, N.C.	W-614	900	900			15	15			1	1		
Huffman, George W., Hickory, N.C.	W-424	1,546	1,546			36	36			1	1		
Huffman, H.C., Water Systems, Inc., Hickory, N.C.	W-095	41,253	57,888			544	462			10	11		
Hunter Water Company, Charlotte, N.C.	W-534	8,310	8,310			125	125			2	2		
Huntley, F.W., Const. Co., Inc., Charlotte, N.C.	W-477	815	815			16	16			1	1		
Hydraulics, Ltd., Greensboro, N.C.	W-218	123,588	178,060			1,018	1,266			30	32		
Ideal Mobile Home Park, Fuquay-Varina, N.C.	W-748	2,400	2,560			23	24			1	1		
Independent Utilities, Inc., Matthews, N.C.	W-266	16,822	-0-	37,008	21,371	321	-0-	597	N/A	N/A	-0-	1	
J & H Water Company, Raleigh, N.C.	W-686	679	1,373			8	12			2	2		
Jackson, Harold L., Wilson, N.C.	W-494	N/R	1,110			17	15			1	1		
Jackson Hamlet Water Supply, Aberdeen, N.C.	W-575	6,792	6,435			107	113			1	1		
Jackson Utility Company, Sapphire, N.C.	W-448	58,321	76,472	15,855	18,066	830	1,158	177	288	2	2	1	1
Jamestown Water Corporation, Hickory, N.C.	W-745	4,116	8,467			44	65					1	
Jewell, A. Gordon, Asheville, N.C.	W-651	3,416	3,567			30	31			1	1		
Jones, Mr. J.W., Gastonia, N.C.	W-422	340	500			10	11			1	1		
Jones, Vernon, Kinston, N.C.	W-620	2,448	2,283			31	28			1	1		
Joyceton Water Works, Inc., Lenoir, N.C.	W-004	40,826	89,458			155	155			1	1		
Kannapolis Real Estate Agency, Inc., Kannapolis, N.C.	W-025	1,660	2,947			28	28			1	1		
Kanuga Park Water System, Hendersonville, N.C.	W-580	943	1,440			17	20			1	1		
Killian Water System, Conover, N.C.	W-298	2,307	2,199			32	29			1	1		
Kimberly Court Water System, Salisbury, N.C.	W-350	755	2,125			23	25			1	1		
Kindellwood Water Co., Inc., Fayetteville, N.C.	W-196	74,778	79,552			549	579			4	4		
Kings Grant Water Co., Wilmington, N.C.	W-250	111,988	116,195			1,405	1,525			1	2		
Kiser Water System, Connelly Springs, N.C.	W-352	1,392	1,488			20	23			1	1		
Knob Creek Properties, Inc., Brevard, N.C.	W-486	6,624	8,160			73	80			1	1		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Lad, Inc., Concord, N.C.	W-722	5,082	12,218			66	117			3	2		
Lafayette Water Corp., Fayetteville, N.C.	W-043	497,618	539,393			5,668	6,038			7	4		
La Grange Water Works Corporation, Fayetteville, N.C.	W-200	201,631	194,022			2,011	2,551			5	10		
Lakeland Village Water Supply, Whiteville, N.C.	W-394	1,387	1,387			22	22			1	1		
Lake Sheila Homeowners Assoc., Inc., Saluda, N.C.	W-546	1,360	N/R			36	N/R			1	N/R		
Lakeside Estates Water Company, Raleigh, N.C.	W-359	1,032	1,032			17	17			1	1		
Lake Summit Corp., Spartanburg, S.C.	W-058	5,983	5,265			66	55			1	1		
Lake Terrace Water System, Inc., Shelby, N.C.	W-683	N/R	N/R			24	33			1	1		
Lamm, William M., Bailey, N.C.	W-708	1,865	1,890			15	15			1	1		
Land Harbor Development Assoc., Linville, N.C.	W-598	54,365	N/R	27,179	N/R	776	N/R	775	N/R	1	N/R	1	N/R
Laurel Woods Water System, Bessemer, N.C.	W-694	6,133	5,876			62	62			1	1		
Lavan, Cora Jane, Wilson, N.C.	W-647	1,757	2,357			30	30			1	1		
Lea Water Company, Willard, N.C.	W-377	3,427	N/R			32	N/R			1	N/R		
Lewis Water Company, Inc., Dallas, N.C.	W-176	6,260	14,016			94	169			5	5		
Lewis Realty & Construction Co., Gastonia, N.C.	W-288	7,259	9,043			136	143			1	1		
Lincoln Water Works, Inc., Sherrills, N.C.	W-335	8,914	17,968			93	103			1	1		
Linville Ridge, Linville, N.C.	W-766	N/R	N/R			31	31			1	1		
Lone Pine Water Co., Kinston, N.C.	W-451	13,529	16,647			53	53			1	1		
Longleaf, Inc., West End, N.C.	W-462	33,663	41,762			373	433			1	2		
Looper, Clark Russell, Hickory, N.C.	W-501	2,639	2,723			27	19			1	1		
Lowesville Water Co., Inc., Lincolnton, N.C.	W-613	4,500	3,718			37	37			1	1		
Ludwig Water Systems, Fayetteville, N.C.	W-317	2,458	N/R			49	N/R			3	N/R		
M & S Corporation, Concord, N.C.	W-625	8,503	9,065			72	87			1	1		
M.D. Square, Inc., Raleigh, N.C.	W-338	762	1,602			20	22			1	1		
Mar Mann, Ltd., New Bern, N.C.	W-669	980	5,463			33	48			1	1		
Marper, Inc., Hendersonville, N.C.	W-770	N/R	N/R			N/R	N/R			N/R	1		
Masonboro Utilities, Inc., Wilmington, N.C.	W-623	3,566	9,265	7,133	18,811	65	99	65	94	1	1	1	1
Matlock, T.L., Jr., Taylorsville, N.C.	W-624	8,602	5,270			40	42			2	2		
Matthews, B.E., Constr. Co., Inc., Conover, N.C.	W-641	1,612	2,306			20	21			1	1		
Mauney, William K., Jr., Kings Mountain, N.C.	W-560	1,410	1,440			23	22			1	1		
Maxwell Water Company, Stedman, N.C.	W-339	1,908	1,844			33	33			1	1		
McCullers Pines Water System, Raleigh, N.C.	W-727	N/R	N/R			12	12			1	1		
McNeil & Deal, N. Wilkesboro, N.C.	W-596	810	880			16	18			1	1		
McRae Construction Co., Inc., Wadesboro, N.C.	W-466	344	344			62	62			1	1		
McRee, William E., Maiden, N.C.	W-562	1,380	2,160			23	24			1	1		
Mecklenburg Utilities, Inc., Charlotte, N.C.	W-617	73,022	75,400	32,957	33,737	858	870	257	259	7	7	2	2
Melmount Water Company, Tryon, N.C.	W-711	1,530	1,530			17	17			1	1		
Mercer Environmental Corp., Jacksonville, N.C.	W-198	179,562	256,233	51,613	123,520	1,495	1,550	478	481	11	11	2	2
Mid-South Water Systems, Inc., Sherrills Ford, N.C.	W-720	17,638	17,638			161	1,170			6	33		
Milstead Community Water System, Taylorsville, N.C.	W-718	1,304	1,362			16	16			1	1		
Miller, R.B., Jr., Hudson, N.C.	W-493	2,134	2,216			49	47			3	3		
Millner Water Systems, Providence, N.C.	W-695	2,420	8,814			7	28			1	1		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Mineral Springs Mountain Water, Valdese, N.C.	W-576	1,916	6,508			23	32			1	1		
Mishue, Dale, Trustee, Garner, N.C.	W-515	3,555	3,352			43	43			1	1		
Model Enterprises Inc., Randleman, N.C.	W-728	N/R	7,344			97	102			N/A	N/A		
Modern Plumbing Co. of Charlotte, Charlotte, N.C.	W-551	1,200	485			20	20			1	1		
Montclair Water Company, Inc., Fayetteville, N.C.	W-173	248,748	1,053,587	161,868	796,290	3,179	3,533	2,436	2,652	2	2	2	2
Morlan Park Water Company, Salisbury, N.C.	W-042	1,580	1,902			48	40			1	1		
Morrison, Mott, China Grove, N.C.	W-530	864	864			12	12			1	1		
Moseley-Nash Water Corporation, Roanoke Rapids, N.C.	W-475	2,387	2,387			23	23			1	1		
Moss, C.J., Kannapolis, N.C.	W-409	2,910	7,770			64	65			1	1		
Moss, James H., Cullowee, N.C.	W-760	N/R	10,303			N/R	41			N/R	1		
Moss Hill Water Works Company, Clinton, N.C.	W-459	4,635	5,512			38	43			1	1		
Mount Mitchell Lands, Inc., Burnsville, N.C.	W-742	2,100	6,871			50	61			N/A	N/A		
Mount Vernon Park Water System, Kinston, N.C.	W-072	7,744	9,139			137	149			1	1		
Mountain Retreat Assoc., Montreat, N.C.	W-385	38,509	N/R	34,201	N/R	508	N/R	506	N/R	1	N/R	1	N/R
Mountain Realty Water Co., Greensboro, N.C.	W-752	16,639	20,852			80	104			1	1		
Mullis, Giles E., Kannapolis, N.C.	W-547	5,664	5,664			118	118			5	7		
Niagara Water Company, Southern Pines, N.C.	W-059	1,136	1,043			25	25			1	1		
North Crest Water System, Inc., Burlington, N.C.	W-496	1,807	2,960			25	25			1	1		
Northeast Craven Utility Company, New Bern, N.C.	W-696	48,654	57,397	48,654	51,096	119	260	119	190	N/A	N/A		
Northeast Utility Company, Richlands, N.C.	W-655	1,688	N/R			26	N/R			1	N/R		
Northwood Developers of Orange County, Carrboro, N.C.	W-690	3,710	7,156			54	78			1	1		
Norwood Beach Water System, Concord, N.C.	W-498	4,737	6,591			62	62			2	2		
North Topsail Water & Sewer, Inc., Sneads Ferry, N.C.	W-754	N/R	N/R			N/R	N/R	N/R	180	N/R	N/R	N/R	1
O/A Utility, Inc., Kill Devil Hill, N.C.	W-392	14,586	14,586	15,297	36,067	141	141	161	161	N/A	N/R	1	1
Oakmont Water Company, Raleigh, N.C.	W-533	3,397	5,198			42	42			1	1		
Oakwoods Water Co., Kinston, N.C.	W-655	4,965	7,671			49	52			1	1		
Oehler Water Company, Charlotte, N.C.	W-440	5,262	9,106			79	85			4	4		
Old Farm Water System, Inc., Salisbury, N.C.	W-568	3,765	3,972			49	63			1	1		
Old South Lane Water System, Inc., Gastonia, N.C.	W-517	713	220			11	11			1	1		
Overhills Water Company, Inc., Dunn, N.C.	W-175	40,638	45,763			451	451			2	2		
Owen Hill Utilities Corporation, Dublin, N.C.	W-437	1,592	N/R			11	N/R			1	N/R		
Owl's Nest Waterworks, Inc., Sanford, N.C.	W-556	12,377	12,957			117	125			1	1		
P & B Waterworks, Raleigh, N.C.	W-627	5,241	N/R			59	N/R			N/A	N/R		
P & H Water Company, Inc., Fayetteville, N.C.	W-257	13,718	13,105			111	119			1	1		
Paradise Point, Inc., Gastonia, N.C.	W-709	3,312	N/R			21	N/R			1	N/R		
Park Utility Company, Fayetteville, N.C.	S-006			2,080	1,460			37	40			1	1
Parkwood Estates II, Cameron, N.C.	W-765	N/R	1,440			N/R	12			N/R	1		
Parris, Steddy Durbin, Jr., Monroe, N.C.	W-563	2,345	2,345	1,269	1,269	59	59	59	59			1	1
Pate, Z.V., Inc., Laurel Hill, N.C.	W-067	40,368	44,753			455	435			1	1		
Patterson, James D., Gastonia, N.C.	W-276	1,923	1,923			28	28			1	1		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Payne, Fred L., Water Co., Alexis, N.C.	W-110	10,225	9,477			204	208			7	7		
Paysours Water Works, Inc., Bessemer City, N.C.	W-278	7,730	6,422			83	84			1	1		
Pen Properties, Inc., Jacksonville, N.C.	W-586	5,727	4,577			35	50			1	1		
Picture Park Water Supply, Inc., Concord, N.C.	W-538	5,188	N/R			85	N/R			1	N/R		
Piedmont Carolina Const. Inc., Hickory, N.C.	W-768	N/R	1,125			N/R	19			N/R	1		
Piedmont Construction & Water, Stoney Point, N.C.	W-262	191,645	326,323			1,696	1,791			41	40		
Piedmont Estates Water System, Climax, N.C.	W-581	7,119	8,384			97	91			1	1		
Pierce, Heavner, & Jenkins, Builders., Gastonia, N.C.	W-363	13,664	16,436			130	128			1	2		
Pine Valley Water Co., Inc., Wrightsville Beach, N.C.	W-242	65,196	79,741	9,613	35,848	470	515	219	222	1	1	1	1
Pinehurst, Inc., Pinehurst, N.C.	W-006	194,672	182,789	222,551	191,170	1,390	1,743	1,065	1,298	1	1	1	1
Pleasant Gardens Water Dept., Hickory, N.C.	W-702	N/R	1,424			N/R	13			N/R	1		
Pless, Ben R., Arden, N.C.	W-553	4,228	4,280			45	49			1	1		
Poole Bros. Bldg. & Trading Co., Raleigh, N.C.	W-513	6,583	7,330			132	139			2	2		
Powder Horne Utilities, Inc., Triplett, N.C.	W-478	4,204	10,478			118	156			1	1		
Prior Construction Co., Garner, N.C.	W-567	3,888	5,627			40	52			1	1		
Proctor Water Works, Dallas, N.C.	W-663	1,605	1,605			17	17			1	1		
Propst Water Supply, Hickory, N.C.	W-291	1,560	1,505			26	26			1	1		
Quail Hollow Water System, Inc., Shelby, N.C.	W-427	1,552	1,552			27	27			1	1		
Quail Run Water System, Kings Mountain, N.C.	W-662	1,653	1,653			37	37			1	1		
Quality Water Supplies, Inc., Wrightsville, N.C.	W-225	153,382	186,399			1,309	1,398			7	7		
Raeford Plumbing & Heating Co., Raeford, N.C.	W-372	2,477	2,401			21	20			1	1		
Randolph Mills, Inc., Franklinville, N.C.	W-536	4,437	4,437	1,087	1,087	85	85	25	25	1	1	1	1
Ratchford, Brady W., Jr., Dallas, N.C.	W-444	4,059	4,005			50	50			1	1		
Ratchford, Lucius L., Gastonia, N.C.	W-421	1,224	5,063			18	56			2	2		
Regalwood Water Co., Kinston, N.C.	W-187	10,213	11,570			135	136			1	1		
Ricks, Frank, Holly Ridge, N.C.	W-529	2,652	N/R			60	N/R			1	N/R		
Ridgecrest Baptist Conference, Ridgecrest, N.C.	W-071	7,659	14,823			246	254			1	1		
Riverbend Estates Water System, Coral Gables, Fla.	W-390	1,144	3,907			41	65			1	1		
Rivercrest Builders, Inc., Zebulon, N.C.	W-591	3,700	N/R			60	N/R			1	N/R		
Riverbend Water & Sewer Corp., Kinston, N.C.	W-439	22,764	N/R	8,194	N/R	251	N/R	142	N/R	1	N/R	1	N/R
Riverhills, Inc., Greenville, N.C.	W-461			5,409	5,724			42	46			1	1
Riviera Utilities of N.C., Inc., Gautier, Miss.	W-665	47,009	78,446			219	350			1	1		
Riverview North Utilities, Inc., Knightdale, N.C.	W-758	N/R	700			N/R	17			N/R	1		
Riverview Water System, Sanford, N.C.	W-723	844	2,674			23	27			1	1		
Robin Lake Water System, Goldsboro, N.C.	W-370	N/R	N/R			183	220			1	1		
Rock Barn Club of Golf, Inc., Hickory, N.C.	W-747	4,209	4,209			31	46			1	1		
Rockingham Realty Co., Inc., Eden, N.C.	W-704	2,430	2,927			23	29			1	1		
Rolling Springs Water Co., Inc., Spring Lake, N.C.	W-313	28,982	26,342	2,680	4,236	188	281	60	60	4	4	1	1
Rollingwood Water System, Inc., Shelby, N.C.	W-428	8,188	8,188			64	64			1	1		
Rose Hill Assoc. Water Co., Greenville, N.C.	W-677	N/R	N/R			259	259	259	259	1	1	1	1
Ross, Sanford E., Waynesville, N.C.	W-618	905	905			28	28			1	1		
Routh & Hennis, Inc., Pleasant Garden, N.C.	W-497	6,326	7,927			109	109			1	1		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Rozzelle, Fred D. Estate, Hickory, N.C.	W-202	6,091	N/R			156	N/R			10	N/R		
Ruff Water Company, Gastonia, N.C.	W-435	33,318	40,254			440	485			7	8		
Rush, Hurley B., High Point, N.C.	W-558	2,377	2,324			31	31			1	1		
Sanders Water Company, Charlotte, N.C.	W-532	2,012	2,836			45	45			1	1		
Sandhill Acres Investment Co., Inc., Candor, N.C.	W-479	5,026	5,972			43	43			1	1		
Sandy Pines Corp., Hickory, N.C.	W-764	N/R	N/R			N/R	N/R			N/R	1		
Scientific Water & Sewerage, Jacksonville, N.C.	W-176	45,780	61,706	74,652	95,141	384	418	384	418	3	7	3	7
Scotland Water Co., Laurinburg, N.C.	W-426	8,069	14,807			131	288			3	4		
Sea Watch Estates, Inc., Wilson, N.C.	W-769	N/R	9,197			N/R	85			N/R	1		
Sehorn Water Supply, Inc., Concord, N.C.	W-773	N/R	3,960			N/R	22			N/R	1		
Setzer Bros. Well Boring, Inc., Claremont, N.C.	W-360	4,744	7,100			83	100			3	3		
Shade Tree Acres Water System, Salisbury, N.C.	W-455	770	700			13	13			1	1		
Shamrock Water Corporation, Conover, N.C.	W-432	4,353	5,352			56	58			1	1		
Sherwood Forest Utility, Inc., Cedar Mountain, N.C.	W-227	12,112	24,967	-0-	85	122	162	-0-	5	1	1		1
Sherwood Forest Water System, Monroe, N.C.	W-646	1,104	1,112			12	12			1	1		
Shiloh Water Company, Marietta, Ga.	W-619	1,140	1,140			20	20			1	1		
Sides & Hudgens, Kannapolis, N.C.	W-525	2,193	N/R			25	N/R			1	N/R		
Simco, Inc., Monroe, N.C.	W-356	1,732	1,732			35	35			1	1		
Skyland Drive Water System, Gastonia, N.C.	W-642	1,260	1,512			21	21			1	1		
Skyview Water System, Inc., Gastonia, N.C.	W-293	4,241	4,235			67	68			1	1		
Smawley, Elon, Morganton, N.C.	W-333	2,538	2,819			28	29			1	1		
Springdale Water Company, Canton, N.C.	W-406	3,313	9,570	3,313	3,313	46	48	25	28	1	1	1	1
Springdale Water Co., Inc., Concord, N.C.	W-164	25,963	29,171			213	265			3	3		
Springdale Water Co. of Raleigh, Raleigh, N.C.	W-241	44,188	N/R			296	N/R			1	N/R		
Spring Hill Water Corporation, Laurinburg, N.C.	W-247	736	1,019			14	16			1	1		
Springs Hills, Inc., Laurel Hill, N.C.	W-650	1,514	1,334	1,234	1,006	35	35	31	32	1	1	1	1
Spring Valley Water System, Newton, N.C.	W-425	1,092	966			17	18			1	1		
Spring Water Company, Incorporated, Swansboro, N.C.	W-337	30,161	32,026			259	261			3	3		
SRME Water System, Washington, N.C.	W-733	2,360	3,940			48	49			1	1		
Stanley, S.P., Whiteville, N.C.	W-639	1,121	N/R			18	N/R			1	N/R		
Stewart, Paul A., Gastonia, N.C.	W-414	4,137	4,137			62	124			2	2		
Stony Brook Estates Water System, Selma, N.C.	W-295	2,725	2,645			31	28			1	1		
Suburban Heights Water System, Wilson, N.C.	W-394	1,613	1,706			22	21			1	1		
Suburban Utilities Co., Smithfield, N.C.	W-399	1,169	969			17	-0-			1	1		
Sugar Mtn. Utility Co., Banner Elk, N.C.	W-482	55,655	80,311	42,168	55,431	463	603	390	467	2	1	2	1
Sunset Park Utilities, Inc., Fayetteville, N.C.	W-178	15,081	15,081	4,705	4,705	171	199	171	199	1	1	1	1
Superior Well Supply Co., Inc., Shelby, N.C.	W-524	7,063	7,332			76	69			1	1		
Surry Water Co., Inc., Mt. Airy, N.C.	W-314	63,718	90,448			752	837			22	22		
Sweet Water Mountain Land Co., Burnsville, N.C.	W-692	N/R	N/R			N/R	N/R			1	1		
TPG Utilities, Inc., Brevard, N.C.	W-675	4,516	3,547			35	35			1	1		
Tarlton Real Estate Corp. Conover, N.C.	W-657	303	3,363			42	26			2	2		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Tarlton, Charles D., Taylorsville, N.C.	W-318	1,046	N/R			17	16			1	1		
Tart's Investment Corporation, Fayetteville, N.C.	W-741	N/A	-0-			3	7			N/A	1		
Tet Utility Company, Inc., Dallas, N.C.	W-759	N/R	N/A	N/R	43,200	N/R	229	N/R	180	N/R	2	N/R	1
Timberlake, William J., Knightdale, N.C.	W-290	232,843	N/R			N/A	N/R			1	1		
Tobacco Branch Village, Inc., Bryson City, N.C.	W-504	385	385			12	12			1	1		
Touch & Flow Water Systems, Jacksonville, N.C.	W-201	15,588	17,043			140	140			5	5		
Transylvania Utility Co., Brevard, N.C.	W-378	189,481	187,804	106,583	110,298	3,096	3,096	1,810	1,810	1	1	1	1
Treasure Cove Water Company, Kinston, N.C.	W-445	9,201	13,170			112	147			1	1		
Trexler Water System, Gold Hill, N.C.	W-505	4,122	3,772			47	100			1	1		
Turner, T.H., Farms, Inc., Dunn, N.C.	W-687	1,113	3,673			19	49			1	4		
Umstead Water Company, Raleigh, N.C.	W-282	8,893	8,893			46	47			1	1		
Urban Water Company, Raleigh, N.C.	W-256	71,032	71,032			564	505			12	12		
Utility Systems, Ltd., Raleigh, N.C.	W-463	9,576	N/R	9,370	9,370	76	N/R	74	74	1	N/R	1	1
Valleydale Water Company, Gastonia, N.C.	W-272	3,736	3,582			42	45			1	1		
Vander Water Company, Inc., Fayetteville, N.C.	W-488	8,366	8,366			152	152			2	2		
Veterans Drive Community Water, Elon College, N.C.	W-118	1,625	1,390			30	30			1	1		
Viking Utilities Corp., Inc., Jacksonville, N.C.	W-740	-0-	-0-			-0-	226			1	2	1	2
W & K Enterprises, Hickory, N.C.	W-611	288	278			5	6			1	1		
W.P.K.S. Utilities, Inc., Morehead City, N.C.	W-659			10,992	16,572			1	5			1	1
Waller, Louis C., M.D., Asheville, N.C.	S-001			9,361	3,920			49	49			1	1
Watauga Vista Water Corp., Miami, Fla.	W-447	3,112	8,214			71	96			1	1		
Waterco, Inc., Charlotte, N.C.	W-080	N/R	N/R			N/R	N/R			N/R	N/R		
Water, Inc., Fayetteville, N.C.	W-216	5,589	5,669			102	106			1	1		
Water Systems Corporation, Raleigh, N.C.	W-681	N/R	3,828			N/R	38			1	1		
Water Service Company, King, N.C.	W-738	4,197	3,869	14,615	7,141	57	329	182	240	2	5	2	3
Waverly Mills, Inc., Laurinburg, N.C.	W-734	N/R	N/R			125	125	119	119	N/R	N/R		
Weber Development Co., Linville, N.C.	W-589	540	540			9	9			1	1		
Wedgewood Lakes Utility Co., Inc., Moyock, N.C.	W-357	33,897	N/R			170	N/R			1	N/R		
Western Utilities Corporation, Locust, N.C.	W-229	423	272			14	11			2	2		
Westgate Utilities Company, Inc., Raleigh, N.C.	W-239	423	808			8	8			1	1		
Weston, W.A., Garner, N.C.	W-285	4,447	4,464			104	101			1	1		
Westport Water Works, Charlotte, N.C.	W-209	28,765	27,848			310	320			1	1		
White, Billy, Colerain, N.C.	W-600	250	300			12	12			1	1		
White Oak Community Water System, Shelby, N.C.	W-520	2,292	1,780			38	40			1	1		
Wilkes, Charles E.,-Trustee, Fayetteville, N.C.	W-201	11,527	11,527	3,618	3,618	121	121	57	67	1	1	1	1
Willow Creek Builders, Inc., High Point, N.C.	W-387	6,220	6,220	5,260	7,035	-0-	32	32	35			1	1
Wilson, Mitchell B., Eden, N.C.	W-602	3,508	3,508			59	59			2	2		
Wilson Water Service, Oxford, N.C.	W-554	2,275	2,786			41	48			6	3		
Wilson Water Systems, Wilson, N.C.	W-698	9,917	12,958			92	129			1	1		
Windsor Lake Water Company, Kinston, N.C.	W-523	5,048	4,467			48	53			1	1		
Woods Water Works, Inc., Mount Airy, N.C.	W-735	4,452	1,517			13	23			1	1		

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS for the Years Ending December 31, 1981 and 1982

	Docket Number	Annual Revenues				Number of Customers				Number of Systems			
		Water		Sewer		Water		Sewer		Water		Sewer	
		1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Yadkin Water Corporation, Raleigh, N.C.	W-585	1,728	1,610			22	32			3	3		
Yost, J.M., Salisbury, N.C.	W-514	770	675			12	12			1	1		
Zemosa Acres, Concord, N.C.	W-744	1,116	3,871			10	42			N/A	N/A		
Total No. of Companies with franchises to operate		413	375										
Total No. of Companies with operating data: 1981: 383 1982: 367		7,852,087	10,269,472	1,619,399	2,439,741	82,494	88,036	16,163	16,596	829	804	76	80

FIGURE NO. 7-4

SELECTED FINANCIAL AND STATISTICAL DATA OF COMPANIES COMPRISING THE LARGEST WATER UTILITY OPERATIONS REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION
Data for the Years Ended December 31, 1981 and 1982

	Brookwood Water Corp.		Duke Power Co.		Heater Utilities		Lafayette Water Corp.		Piedmont Const. & Water Co.		Total—Water Utilities	
	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Revenues and Expenses:												
Total Revenue	$ 350,996	$ 359,755	$ 801,213	$ 931,883	$ 411,455	$ 440,537	$ 544,366	$ 539,393	$312,854	$ 326,323	$ 2,420,884	$ 2,597,891
Operation & Maintenance Expenses	$ 232,240	268,208	$ 534,885	$ 662,247	$ 307,081	$ 313,161	$ 354,582	$ 366,544	$246,636	$ 275,548	$ 1,675,424	$ 1,885,708
Depreciation & Amortization	68,756	64,006	109,777	134,261	22,403	30,183	109,486	114,359	29,542	36,587	339,964	379,396
Federal & State Income Taxes	(1,136)	-0-	-0-	-0-	3,203	2,432	31,478	18,133	2,201	373	35,746	20,938
Other Taxes	25,859	22,316	103,622	147,737	30,059	32,005	43,627	38,608	21,002	22,771	224,169	263,437
Total Operating Expenses	$ 325,719	$ 354,530	$ 748,284	$ 944,245	$ 362,746	$ 377,781	$ 539,173	$ 537,644	$299,381	$ 335,279	$ 2,275,303	$ 2,549,479
Net Operating Revenue	$ 25,277	$ 5,225	$ 52,929	$ (12,362)	$ 48,709	$ 62,756	$ 5,193	$ 1,749	$ 13,473	$ (8,956)	$ 145,581	$ 48,412
Operating Ratio	92.8%	98.5%	93.4%	98.7%	88.2%	85.8%	99.0%	99.6%	95.7%	97.3%	94.0%	98.1%
Other Income & Expenses (includes Interest)	$ 65,200	$ (35,579)	$ 240,505	$ -0-	$ 28,700	$ (36,131)	$ (12,569)	$ 379	$ (23,406)	$ 10,620	$ 298,430	$ (60,711)
Net Income	$ (39,923)	$ (30,354)	$ (187,576)	$ (12,362)	$ 20,009	$ 26,625	$ 17,762	$ 2,128	$ 36,879	$ 1,664	$ (152,849)	$ (12,299)
Balance Sheet Items:												
Gross Plant in Service	$ 1,886,150	$ 1,959,957	$ 6,954,819	N/A	$ 4,165,984	$ 4,299,561	$ 2,850,384	$ 2,901,120	$449,191	$ 516,268	$ 16,306,528	$ 9,676,906
Less: Depreciation Reserve	439,695	500,165	1,540,894	N/A	968,451	1,115,771	985,417	1,053,587	236,404	260,895	4,170,861	2,930,418
Net Plant in Service	$ 1,446,455	$ 1,459,792	$ 5,413,925	N/A	$ 3,197,533	$ 3,183,790	$ 1,864,967	$ 1,847,533	$212,787	$ 255,373	$ 12,135,667	$ 6,746,488
*Contributions in Aid of Construction	$ 1,260,736	$ 1,302,818	$ -0-	N/A	$ 325,046	$ 345,350	$ 1,355,250	$ 1,406,830	$ -0-	$ -0-	$ 2,941,032	$ 3,054,998
*Plant Acquisition Adjustment	$ 79,888	$ 79,888	$ -0-	N/A	$ 2,936,308	$ 2,261,260	$ -0-	$ -0-	$ -0-	$ -0-	$ 3,016,196	$ 2,341,148
Statistics:												
Total Customers	3,910	4,059	3,846	3,887	2,524	2,687	5,864	6,234	1,754	1,908	17,898	18,775
Total Water Consumption (000's gallons)	363,408	396,958	1,110,676	1,101,426	175,432	118,104,460	492,772	495,576	71,348	N/A	2,213,636	2,112,064
Operation & Maint. Expense per Total Customer	$ 59.40	$ 66.08	$ 139.08	$ 170.37	$ 121.66	$ 116.55	$ 60.47	$ 58.80	$ 140.61	$ 144.42	$ 93.61	$ 100.44
Total Expense per Total Customer	$ 99.98	$ 87.34	$ 257.61	$ 242.92	$ 155.09	$ 140.60	$ 94.19	$ 86.24	$ 184.03	$ 175.72	$ 143.91	$ 135.79
Gross Plant Investment per Total Customer	$ 482.39	$ 482.87	$ 1,808.32	$ N/A	$ 1,650.55	$ 1,600.13	$ 486.08	$ 465.37	$ 256.10	$ 270.58	$ 911.08	$ 515.41
Depr'n. Expense as % of Gross Plant	3.6%	3.3%	1.6%	N/A	.5%	.7%	3.8%	3.9%	6.6%	7.0%	2.1%	3.0%
Residential Revenue (Metered)	$ 324,381	$ 330,698	$ 292,036	$ 328,607	$ 398,588	$ 425,410	$ 508,695	$ 503,583	$215,492	$ 244,809	$ 1,739,192	$ 1,833,107
Residential Customers (Metered)	3,895	4,040	3,311	3,342	2,421	2,605	5,677	6,035	1,178	1,408	16,482	17,430
Residential Water Used (Metered) (000's gallons)	363,408	396,958	207,182	196,096	175,432	118,104,460	466,966	470,386	67,713	N/A	1,280,701	1,181,544
Average Gallons Used per Residential Customer	93,301	98,256	62,574	58,672	72,463	45,337	82,256	77,942	57,481	N/A	77,703	67,401
Average Revenue per Residential Customer	$ 83.28	$ 81.86	$ 88.20	$ 98.32	$ 164.64	$ 163.31	$ 89.61	$ 83.44	$ 182.93	$ 173.87	$ 105.52	$ 105.17

*These amounts are included in the "Gross Plant in Service" account. They are shown separately because they are usually excluded from the plant investment account for general rate-making purposes.

N/A — Not Available

FIGURE NO. 7-5

SELECTED FINANCIAL AND STATISTICAL DATA OF COMPANIES COMPRISING THE LARGEST WATER/SEWER UTILITY OPERATIONS REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION
Data for the Years Ended December 31, 1981 and 1982

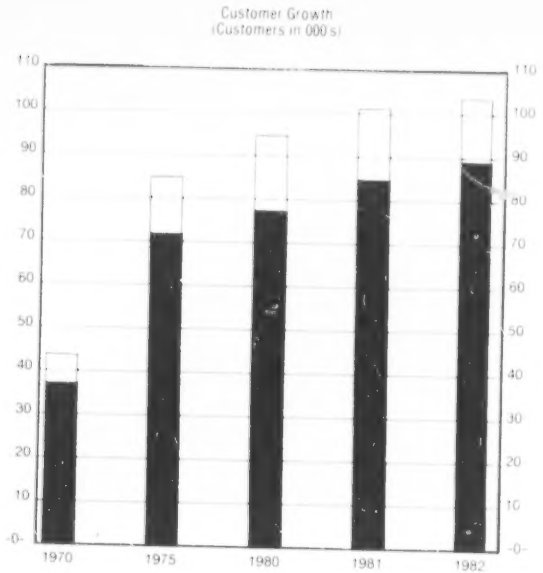
	Carolina Water Service		Mercer Environmental Co.		Montclair Water Co.		Pinehurst Inc.		Transylvania Utility Co.		Total Water/Sewer	
	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Revenues and Expenses:												
Total Revenue	$ 732,864	$ 1,187,133	$ 269,497	$ 379,753	$ 411,404	$ 503,811	$ 458,889	$ 373,959	$297,937	$ 298,102	$ 2,170,591	$ 2,742,758
Operation & Maintenance Expenses	$ 563,948	$ 830,862	$ 259,171	$ 292,011	$ 338,307	$ 362,504	$ 460,136	$ 483,354	$301,980	$ 344,026	$ 1,923,542	$ 2,312,757
Depreciation & Amortization	46,627	100,750	34,116	34,824	58,251	57,371	181,200	48,851	827	386	321,021	242,182
Federal & State Income Taxes	926	(9,531)	-0-	-0-	1,916	6,041	-0-	-0-	-0-	-0-	2,842	(3,490)
Other Taxes	49,161	80,770	21,316	27,371	30,066	33,697	18,753	16,425	19,451	18,857	138,747	177,210
Total Operating Expenses	$ 660,662	$ 1,002,851	$ 314,603	$ 354,206	$ 428,540	$ 459,613	$ 660,089	$ 548,630	$322,258	$ 363,269	$ 2,386,152	$ 2,728,569
Net Operating Revenue	$ 72,202	$ 184,282	$ (45,106)	$ 25,547	$ (17,136)	$ 44,198	(201,200)	$ (174,671)	$ (24,321)	$ (65,167)	$ (215,561)	$ 14,189
Operating Ratio	90.1%	84.4%	116.7%	93.2%	104.2%	91.2%	143.8%	68.1%	108.2%	82.0%	109.4%	99.4%
Other Income & Expenses (Includes Interest)	172,491	(194,362)	7,973	4,982	18,019	(9,998)	-0-	-0-	(4,091)	5,744	194,392	(193,634)
Net Income	$ (100,289)	$ (10,080)	$ (53,079)	$ 30,529	$ (35,155)	$ 34,200	$ (201,200)	$ (174,671)	$ (20,230)	$ (59,423)	$ (21,169)	$ (179,445)
Balance Sheet Items:												
Gross Plant in Service	$ 6,046,219	$10,371,517	$ 1,138,323	$ 1,148,705	$1,824,659	$ 1,849,878	$9,263,056	$2,459,296	$ 68,797	$ 68,797	$ 18,341,054	$15,898,193
Less: Depreciation Reserve	437,545	989,125	249,941	272,937	655,629	713,001	1,519,361	48,851	3,751	4,137	2,866,227	2,028,051
Net Plant in Service	$ 5,608,674	$ 9,382,392	$ 888,382	$ 875,768	$1,169,030	$ 1,136,877	$7,743,695	$2,410,445	$ 65,046	$ 64,660	$ 5,474,827	$13,870,142
*Contributions in Aid of Construction	$ 2,498,328	$ 3,630,295	$ 888,585	$ 888,585	$1,845,973	$ 1,875,598	$ -0-	$ -0-	$157,839	$ 173,689	$ 5,390,725	$ 6,568,167
*Plant Acquisition Adjustment	$ 641,946	$ 863,162	$ 184,742	$ 209,946	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ 826,688	$ 1,073,108
Statistics:												
Total Customers	5,789	6,038	1,978	1,554	5,952	3,533	2,842	1,743	4,906	3,096	21,467	15,964
Total Water Consumption (000's gallons)	500,843	N/A	891,587	133,470	250,749	200,424	232,000	187,000	N/A	N/A	1,875,179	520,894
Operation & Maint. Expense per Total Customer	$ 97.42	$ 137.61	$ 131.03	$ 187.90	$ 56.84	$ 102.61	$ 161.91	$ 277.31	$ 61.55	$ 111.12	$ 89.60	$ 144.87
Total Expense per Total Customer	$ 143.92	$ 166.09	$ 163.08	$ 227.93	$ 75.03	$ 130.09	$ 232.26	$ 314.76	$ 64.85	$ 117.33	$ 111.15	$ 170.92
Gross Plant Investment per Total Customer	$ 1,044.43	$ 1,717.71	$ 575.49	$ 739.19	$ 306.56	$ 523.06	$ 3,259.34	$ 1,410.96	$ 14.02	$ 22.22	$ 854.38	$ 995.88
Depr'n. Expense as % of Gross Plant	0.8%	9%	3.0%	3.0%	3.2%	3.1%	2.0%	1.9%	1.2%	5%	15.6%	12.8%
Residential Revenue (Metered)	$ 591,188	$ 893,928	$ 150,731	$ 191,689	$ 304,175	$ 213,534	$ 264,524	$ 121,051	$ N/A	$ N/A	$ 1,310,618	$ 1,420,202
Residential Customers (Metered)	4,776	6,038	1,031	1,285	3,963	2,521	2,605	1,580	N/A	N/A	12,375	11,424
Residential Water Used (Metered) (000's gallons)	367,884	N/A	891,587	88,508	220,000	200,424	114,000	110,000	N/A	N/A	1,593,471	398,932
Average Gallons Used per Residential Customer	77,028	N/A	146,199	68,877	55,513	79,501	43,762	69,620	N/A	N/A	128.77	34.92
Average Revenue per Residential Customer	$ 123.55	$ 148.05	$ 146.34	$ 149.17	$ 76.75	$ 84.702	$ 101.54	$ 76.62	$ N/A	$ N/A	$ 105.91	$ 124.32

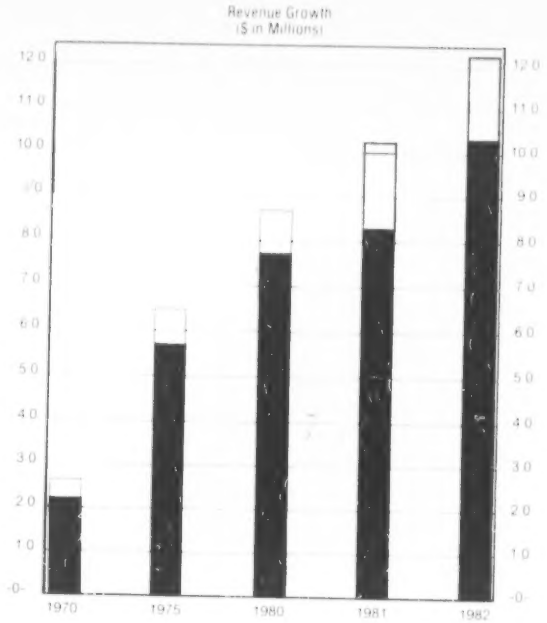
*These amounts are included in the "Gross Plant in Service" account. They are shown separately because they are usually excluded from the plant investment account for general rate-making purposes.

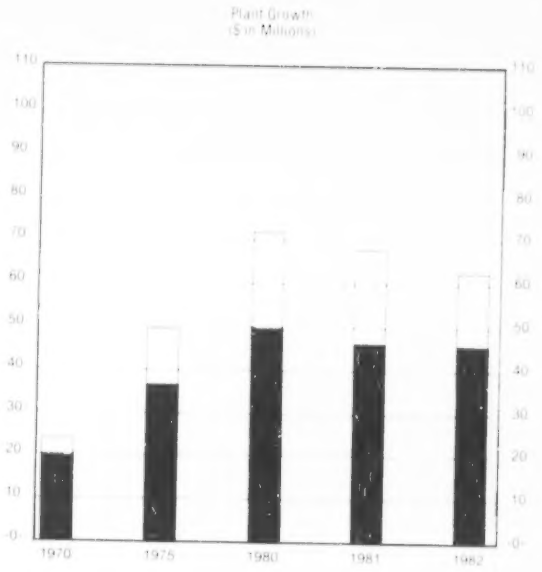
N/A - Not Available

FIGURE NO. 7-6

CUSTOMERS, REVENUE, AND PLANT GROWTH OF ALL REGULATED WATER & SEWER COMPANIES IN NORTH CAROLINA FOR THE PERIODS 1970, 1975, 1980-82







LEGEND

Water

Sewer

		1970	1975	1980	1981	1982
Water	Water: Customers	38,700	71,000	76,561	84,544	86,291
	Revenues	2,223,700	5,600,000	7,324,000	8,537,503	10,142,057
	Plant	20,086,100	37,000,000	48,855,000	45,164,537	44,686,786
Sewer	Sewer: Customers	5,300	13,000	16,187	16,576	16,632
	Revenues	244,900	600,000	1,543,000	1,981,183	2,413,069
	Plant	2,161,800	13,000,000	22,514,000	21,757,049	18,819,628
	Number of Companies	158	349	398	413	375

FIGURE NO. 7-7

COMPARATIVE MONTHLY CHARGES FOR RESIDENTIAL WATER SERVICE IN NORTH CAROLINA
for December 31, 1981 and 1982

Nonregulated Systems

Publicly Owned Systems	Inside City Limits 3,000 gal. 1981	3,000 gal. 1982	6,000 gal. 1981	6,000 gal. 1982	9,000 gal. 1981	9,000 gal. 1982
Asheville	$ 7.07	$ 8.48	$ 13.03	$ 13.85	$ 18.99	$ 22.80
Charlotte	2.83	3.01	4.59	4.89	6.35	6.77
Greensboro	2.68	2.68	5.12	5.12	7.56	7.56
Raleigh	2.85	3.47	5.70	6.94	8.55	10.41
Wilmington	3.40	3.40	6.80	6.80	10.20	10.20
Winston-Salem	2.24	2.78	4.48	5.56	6.72	8.34
Average	$ 3.51	$ 3.97	$ 6.62	$ 7.19	$ 9.73	$ 11.01

Regulated Systems

Privately Owned Systems Regulated by Commission (Class B or Larger)	Inside Service Area 3,000 gal. 1981	3,000 gal. 1982	6,000 gal. 1981	6,000 gal. 1982	9,000 gal. 1981	9,000 gal. 1982
Highest Rate	$ 10.70	$ 11.10	$ 17.30	$ 17.30	$ 23.90	$ 23.90
Lowest Rate	4.50	5.00	6.15	6.65	7.80	8.30
Average Rate (nonweighted average)	$ 6.97	$ 7.81	$ 10.82	$ 11.67	$ 13.87	$ 15.52

COMPARATIVE MONTHLY CHARGES FOR RESIDENTIAL SEWER SERVICE IN NORTH CAROLINA
AT DECEMBER 31, 1981 and 1982

Nonregulated Systems

Publicly Owned Systems	Inside City Limits 3,000 gal. 1981	3,000 gal. 1982	6,000 gal. 1981	6,000 gal. 1982	9,000 gal. 1981	9,000 gal. 1982
Asheville	$ 1.28	$ 1.28	$ 2.56	$ 2.56	$ 3.84	$ 3.84
Charlotte	3.55	3.77	6.03	6.41	8.51	9.05
Greensboro	1.64	1.64	3.28	3.28	4.92	4.92
Raleigh	2.97	3.24	5.34	5.76	7.71	8.29
Wilmington	3.24	3.24	6.48	6.48	9.72	9.72
Winston-Salem	1.88	2.24	3.76	4.48	5.64	6.72
Average	$ 2.43	$ 2.56	$ 4.58	$ 4.82	$ 6.72	$ 7.09

Regulated Systems

Privately Owned Systems Regulated by Commission (Class B or Larger)	Inside Service Area 3,000 gal. 1981	3,000 gal. 1982	6,000 gal. 1981	6,000 gal. 1982	9,000 gal. 1981	9,000 gal. 1982
Highest Rate	$ 10.00	$ 20.59	$ 15.40	$ 20.59	$ 20.00	$ 20.59
Lowest Rate	4.00	4.00	6.25	6.25	8.50	8.50
Average Rate (nonweighted average)	$ 7.80	$ 11.93	$ 10.36	$ 13.59	$ 14.11	$ 15.24

VIII. Securities, Audits, And Annual Reports

A. SECURITIES ISSUES—COMMENTS

The Commissioners approved 14 applications for the issuance of electric, gas, telephone, and other securities and borrowings during 1982, compared to 25 applications in 1981. The 1982 applications covered securities totaling $1,211,000 compared to the $410,737 amount in 1981.

The securities applications are processed by personnel in the Finance, Statistics, Budget, and Planning Division of the Commission Staff, and reports and recommendations are made to the Commissioners. These reports evaluate and consider many factors such as: (1) The present and projected earnings position of the company, (2) the effect of the projected issue on the company's capital structure, (3) expense of the issue, (4) estimated net yield, (5) probable market price per unit, (6) the purpose of the issue, (7) the use to which the proceeds are to be applied, (8) whether the issue is compatible with the overall public interest, and (9) the merits of the proposed method of marketing the securities; i.e., by competitive bidding, negotiations, or private placement.

The new capital raised through the sale of securities is primarily for the replacement of short-term borrowings, which have been used largely for new utility plant construction, modernization and improvement of existing plant to meet increased demands for additional and improved service. Figure No. 8-1 shows detailed data for each securities issue approved by the Commissioners in 1981 and 1982.

B. AUDITS AND EXAMINATIONS—COMMENTS

Personnel of the Commission's Public Staff Accounting Division perform extensive field audits of the operations of public utilities. The results of each of these audits are a part of the Public Staff's position on matters before the Commission and they are filed with the Chief Clerk as an official document if they are part of a general rate case proceeding. A brief summary of audits and special studies for 1981 and 1982 follows:

Utility and Type Audit	Number of Examinations	
	1981	1982
Electric	4	3
Gas		
General Rate Case & Earnings Investigations	3	2
Increased Cost of Purchased Gas, Exploration Surcharges, and Emergency Gas Curtailments	30	43
Telephone	7	8
Water and Sewer	48	44
Motor Freight and Motor Passenger Operating Ratios and Tariffs	42	29
Total	134	129

C. ANNUAL REPORTS—COMMENTS

For the years 1981 and 1982 there were 1,386 and 1,361 utilities, respectively, required to file annual reports of their operations with the Commission. This number includes 80 nonregulated municipal utility systems. The regulated utilities and the municipal utility systems annual reports required to be filed with the Commission are prepared on forms furnished them by the Commission's Public Staff Accounting Division. All completed and returned annual reports of the larger utilities are reviewed in detail for compliance with the Uniform System of Accounts.

FIGURE NO. 8-1

SECURITIES ISSUES — NEW CAPITAL (Primarily) For the Calendar Year 1981
Amount Authorized for Total Company Operations ($ Amount and No. Shares in 000's)

Name of Company	Docket Number	Date of Order	Total Amount: Face Value	Total Amount: Net to Company	Price/Yield Data: Stated Interest Rate/Price Per Share	Price/Yield Data: Yield at Offering	Price/Yield Data: Security Rating at Offering	Type of Security Transaction: How* Sold	Type of Security Transaction: Bonds Debentures Bank Loans	Common & Preferred Stock Data: No. of Shares Sold or Authorized	Common & Preferred Stock Data: Common Stock	Common & Preferred Stock Data: Preferred Stock	Purpose of Financing & Other Comments
ELECTRIC			$	$									
Carolina Power & Light Co	E-2, Sub 410	1-23-81	(A)		Market rate when issued			S		5,500	$ (A)		Dividend reinvestment plan
	E-2, Sub 415	4-10-81	40,000	39,560	14%	14%	A	N		400		$ 40,000	Plant construction
	E-2, Sub 419	5-18-81	50,000		Based on comm. paper rate		Prime 1	P	$ 50,000				Nuclear fuel trust fund
	E-2, Sub 430	9-10-81	130,000		Based on London Interbank rate			P					5 - term revolving credit to support commercial paper
	E-2, Sub 431	10-21-81	(A)		Market price when issued			S		2,000	(A)		Customer stock purchase plan
	E-2, Sub 439	11-31-81	(A)		Market price when issued			S		2,785	(A)		Employees stock purchase plan
	E-2, Sub 438	11-18-81	60,450	59,790	$20.15			N		3,000	59,790		Plant construction
Duke Power Co	E-7, Sub 313	3-12-81	(A)		Market rate when issued			S		1,000	(A)		Dividend reinvestment plan
	E-7, Sub 317	4-23-81	(A)		Market rate when issued			S		8,000	(A)		3 million shares—ESOP plan; 5 million stock purchase plan
	E-7, Sub 331	12-21-81	75,949	73,489	$20.375			N		3,728	73,489		Proceeds used to purchase $119,902,000 face value Duke Power Co. 8¼% bonds at a discount capital structure equity - debt ratio increased
Total			$ 356,399	$ 172,839					$ 50,000	26,413	$ 133,279	$ 40,000	
GAS													
Public Service Co. of N.C.	G-5, Sub 165	6-10-81	$ 5,750	$ 5,390	11.50%			N		500	$ 5,390		Construction & general corporate
Piedmont Natural Gas	G-9, Sub 215	11-24-81	(A)		Market rate when issued			S		150	(A)		Dividend reimbursement plan
Total			$ 5,750	$ 5,390						650	$ 5,390		
TELEPHONE													
Barnardsville Telephone	P-75, Sub 27	7-27-81	$ 172					S			$ 172		Conversion of advances from parent into common equity
Citizens Telephone Co.	P-12, Sub 78	11-19-81	3,317		11.25%			G	3,317				RTB-35 yr. loan
Mid Carolina Telephone	P-118, Sub 20	5-13-81	6,526		10.25%			G	6,526				RTB-35 yr. loan
	P-118, Sub 21	7-27-81	2,000								2,000		Conversion of advances from parent into common equity
	P-118, Sub 23	9-30-81	22,658		Rate tied to US long term treasury bonds			G	22,658				FFB-35 yr. loan
	P-118, Sub 24	11-24-81	5,000		16 ¼%			P	5,000				Construction and general corporate
Randolph Telephone Co.	P-61, Sub 63	11-24-81	494		11.25%			G	494				RTB-35 yr. loan
Sandhill Telephone Co.	P-53, Sub 44	5-13-81	279		5%			G	279				REA-35 yr. loan
	P-53, Sub 44	5-13-81	2,818		10.25%			G	2,818				RTB-35 yr. loan
Western Carolina Telephone	P-58, Sub 119	3-5-81	5,000		14%	14%		P	5,000				Plant construction
Total			$ 48,264						$ 46,092		$ 2,172		
OTHER													
Heater Utilities, Inc.	W-274, Sub 28	6-29-81	$ 237		Prime Plus 1 ½%			P	$ 237				Refinancing of debt
	W-274, Sub 30	11-4-81	60		45 at 14%, 15 at Prime + 1 ½%			P	60				Purchase water storage tank
Anser-Quick Enterprises, Inc. (Radio Common Carrier)	P-110, Sub 12	8-6-81	27	$ 27						4	$ 27		4,876 shares issued to cancel $27,000 loan to company
Total			$ 324	$ 27					$ 297	4	$ 27		
GRAND TOTALS			$ 410,737	$ 178,256					$ 96,389	27,067	$ 140,868	$ 40,000	

(A) Issues of Common Stock Authorized by Commission for use in various stock purchase and Employee Benefit Plans. Valuation of the shares are normally based on market price when issued.
*C-Competitive; N-Negotiated; P-Private Placement; S-Company Program; G-U.S. Government Backed

FIGURE NO. 8-1 (Continued)

SECURITIES ISSUES — NEW CAPITAL (Primarily) For the Calendar Year 1982
Amount Authorized for Total Company Operations ($ Amount and No. Shares in 000's)

Name of Company	Docket Number	Date of Order	Total Amount: Face Value	Total Amount: Net to Company	Price/Yield Data: Stated Interest Rate/Price Per Share	Price/Yield Data: Yield at Offering	Type of Security Transaction: Security Rating at Offering	Type of Security Transaction: How* Sold	Common & Preferred Stock Data: Bonds Debentures Bank Loans	Common & Preferred Stock Data: No. of Shares Sold or Authorized	Common & Preferred Stock Data: Common Stock	Common & Preferred Stock Data: Preferred Stock	Purpose of Financing & Other Comments
ELECTRIC													
Carolina Power & Light Co	E-2, Sub 445	2-16-82	$ 60.000						$ 60.000				Eurobonds
	E-2, Sub 445	2-16-82	100.000	$ 98.505	11 1/8%	11.72%	A¹	N	100.000				1st mortgage bonds-shelf registration under SEC shelf rule R415
	E-2, Sub 453	6-17-82	100.000		Commercial paper rate		A²	N		100.000			Nuclear fuel trust financing
	E-2, Sub 459	12-22-82	250.000		12 1/8%		A²	N	Sold 12-7-83	100.000			Shelf registration filing under SEC rule R415
									Remaining	150.000			
Duke Power Co	E-2, Sub 337	2-24-82	60.000	58.725	15 1/2%		A	N		60.000			
	E-2, Sub 337	2-24-82	100.000	98.913	15.125%	15.20%	A	N		100.000			Euronotes not redeemable prior to 4/15/86
	E-2, Sub 337	2-24-82	40.000	38.432	Dividend 3.80	15.40%	A	N					30 year maturity bonds on 2/22/82, interest 16 1/8 to 16 1/4%
	E-7, Sub 348	9-7-82	125.000	123.006	14.50%	14.60	A¹	N		125.000	1.600	$ 40.000	1.600.000 shares @ $25/sh sold
	E-7, Sub 348	9-7-82	50.000				A¹	N					Shelf Registration
	E-7, Sub 347	9-8-82	(A)		Market rate when issued			S				50.000	Shelf registration
	E-7, Sub 353	12-1-82	102.000	99.115	6 3/8-25.000	6.625	A¹	S			3.000	(A)	Dividend Reinvestment
					9 1/8-77.000								Automatic Dividend Reinvestment & Stock Purchase
Total			$ 987.000	$ 515.696					$ 795.000		4.600	$ 90.000	
GAS													
Public Service Co. of N.C.	G-5, Sub 174	7-29-82	$ 18.000	$ 17.745	15.50%			P	$ 18.000				Sold to New York Life & Teachers Insurance & Annuity Association of America
	G-5, Sub 175	7-29-82	(A)		Market rate when issued			S			100	(A)	Tax Reduction Act Stock Ownership Plan
	G-5, Sub 182	12-7-82	(A)		Market rate when issued			S			500	(A)	Automatic Dividend Reinvestment & Stock Purchase
Total			$ 18.000	$ 17.745					$ 18.000		600		
TELEPHONE													
Central Telephone Co	P-10, Sub 410	4-14-82	$ 101.000				A¹	N	$ 101.000				Revolving Credit Notes
	P-10, Sub 411	7-22-82	30.000	$ 29.588	14.375%		Aa¹	Offshelf Registration	30.000				Off Shelf registration, sold at competitive bidding 8/12/82
Continental Telephone Co. (Va.)	P-28, Sub 35	6-28-82	10.000	9.905	15 1/8%	15.125%		P	10.000				For capital improvements and additions to plant
General Telephone Co. Southeast	P-19, Sub 187	3-11-82	55.000		15 1/4%	15.33%	A	C	55.000				Used to pay short-term loans owed to banks and
	P-19, Sub 187	3-11-82	10.000		Market rate when issued			internal		400	$ 10.000		commercial paper obtained for purpose of financing
Total			$ 206.000	$ 39.493					$ 196.000	400			construction program
GRAND TOTALS			$ 1,211.000	$ 573.934					$ 1,009.000	5.600	$ 10.000	$ 90.000	

(A)Issues of Common Stock Authorized by Commission for use in various stock purchase and Employee Benefit Plans. Valuation of the shares are normally based on market price when issued.
*C-Competitive, N-Negotiated, P-Private Placement, S-Company Program, G-U.S. Government Backed

IX. The Transportation Industry - Motor Freight Carriers

A. GENERAL COMMENTS

Motor freight carriers are divided into three groups according to annual operating revenue. The history of motor freight carriers' size classification is as follows:

Period & Source	Gross Operating Revenues Class I	Class II	Class III
1963-1969, R-2-48 (9-18-63)	$1,000,000 or more	$200,000-$1,000,000	$200,000 or under
1970-1973, M-100, Sub 25 (9-15-69)	$1,000,000 or more	$300,000-$1,000,000	$300,000 or under
1974-1979, M-100, Sub 53 (5-24-75)	$3,000,000 or more	$500,000-$3,000,000	$500,000 or under
1980- M-100, Sub 68 (2-5-82)	$5,000,000 or more	$1,000,000-$5,000,000	$1,000,000 or under

The Class I and II carriers generally transport both intrastate and interstate freight while the Class III carriers predominantly operate only in intrastate commerce.

There were 712 regulated motor freight carriers as of December 31, 1982. In 1982 the 95 Class I carriers and 104 Class II carriers accounted for approximately 80% of the total motor freight revenues generated in North Carolina. In 1981 the 91 Class I carriers and 94 Class II carriers accounted for 88% of the total North Carolina revenues.

The Commission issues certificates of exemption to motor carriers engaged in the transportation of commodities exempt from economic regulation, either by statute or by administrative ruling of the Commission. Certificates of exemption are also issued to persons who own equipment for the purpose of leasing it. These exemption certificates are issued pursuant to the requirements of G.S. 62-266 and Article 2 of the Commission's Motor Carrier Rules and Regulations.

There were 8,676 outstanding exemption certificates as of December 31, 1981 and 9,261 as of December 31, 1982, an increase of 585.

B. DUTIES OF THE TRAFFIC - TRANSPORTATION DIVISION

Intrastate

The Commission Staff Transportation Division is charged with the economic and safety regulation of all certified motor freight carriers operating within the borders of the State. In addition, all motor freight carriers transporting commodities classified as exempt by the Commission are subject to the Commission's Motor Carrier Safety Regulations.

This Division administers and enforces the Commission's insurance requirements applicable to all for-hire motor carriers except the intrastate exempt freight carriers. The insurance requirements for this latter segment of the industry are administered and enforced by the North Carolina Department of Motor Vehicles. All applications for new authority grants, transfers of certificates, and cancellations of certificates are handled through this Division. Also, all complaints relating to the quality of freight service, or the lack of it, are investigated by the Division.

The Public Staff Transportation Rates Division has the responsibility for maintaining up-to-date files of current rate and service tariffs of all intrastate transportation utility companies. In addition, the Public Staff reviews all applications for new or amended rate tariffs. In contested rate cases, rule-making investigations, abandonments, mergers, and related matters, the Public Staff presents testimony in support of the position of the using and consuming public before the Commission.

The Public Staff has developed and implemented rate-making rules and procedures designed to provide cost-of-service data for the North Carolina portion of service furnished by the various transportation companies under regulation. The purpose of the cost is to assure that the companies charge the lowest level of reasonable rates.

The Public Staff offers technical assistance to the Commission and the general public to assist in dealing with transportation matters and investigates consumer complaints involving any regulated transportation utility company.

Motor Carriers are required to register all tractors and trailers with the Commission Staff Transportation Division annually. If the motor carrier is in full compliance with this Commission's insurance requirements and other regulations, certification is then made to the North Carolina Department of Motor Vehicles that the carrier is eligible to purchase license plates for the registered vehicles. During 1981 approximately 47,473 tractors and trailers were registered with this division of the Commission. For the year 1982, 39,459 tractors and trailers were registered.

Interstate

The regulations of this Commission require that all for-hire motor carriers in interstate commerce over the highways of this State register their authority with this Commission that the vehicles of such carriers be registered with this Commission annually, and that the vehicles be identified with a North Carolina Utilities Commission identification stamp on a uniform cab card when operating in this State.

At December 31, 1981, approximately 12,762 interstate motor carriers were registered with this Commission. During that year approximately 370,853 interstate vehicles operated by these carriers were registered, and a like number of North Carolina identification stamps were issued. The number of interstate motor carriers increased by 16,218 in 1982 with 438,664 vehicles operated by these carriers.

The interstate carriers are subject to the same insurance requirements as are the intrastate motor carriers. Also, all interstate for-hire carriers are subject to the Motor Carrier Safety Regulations of the Commission.

Transfer of Insurance and Registration to DMV

Senate Bill 23 which was ratified July 15, 1983, transferred from the Commission to the N.C. Division of Motor Vehicles, all functions relating to the safety enforcement of motor carriers, the registra-

tion of vehicles, the filing of insurance, and the issuance of exemption certificates. This leaves the Commission with jurisdiction over market entry and rates for motor carriers.

C. COMMISSION ACTIVITIES

During 1981 a total of 117, or 43.2%, of the Commission's 271 formal hearings were related to the trucking industry; for 1982 the number of truck hearings decreased to 48 and represented only 25.8% of the 186 formal hearings.

A major reason for the decline in formal hearings in 1982 was that the Commission settled several tariff filing and other filings based on Public Staff and Commission Staff studies and recommendations presented at Monday morning conference sessions. During these sessions, if there were no protests and the need for the requested changes were either sanctioned by or undisputed by either staff, they were allowed to become effective without holding a formal hearing as in the past.

D. IMPACT OF MOTOR CARRIER REFORM ACT OF 1980

A bill (Senate Bill 2245) to encourage the deregulation of the trucking industry was signed into law on July 1, 1980. The Motor Carrier Reform Act of 1980 was designed to reduce unnecessary regulation by the Federal government. This act increases opportunities for firms in the trucking industry to operate without interference from the government.

The primary purpose of the act is to enhance competition by allowing for easier entry into the trucking field, the removal of certain operating restrictions, and the establishment of certain motor carrier flexibility. S2245 adopts a new section which reflects the strong belief that competition will bring about the most efficient and economical delivery of transportation service to the public. The Motor Carriers Reform Act of 1980 relaxes the requirements for trucks wanting to enter the market and lets the existing trucking companies easily expand their operations. The new entry section retains the traditional test that all applicants must be fit, willing, and able. However, this reform act creates the presumption that all proposed transportation is in the public interest, and therefore, a diversion of revenue or traffic from the proposed carrier is not of itself inconsistent with the public convenience and necessity. There must be sufficient evidence that the transportation would be inconsistent with the present or future public convenience and necessity to justify denial of an application. Secondly, inefficient and fuel wasteful operating restrictions are removed under this act. Also, motor carriers are allowed to remove additional operating restrictions from their certificates and permits which are not productive or are energy wasteful. The reform act also encourages rate flexibility. In the future carriers will have the ability to price their services within certain limits substantially free of Federal regulation.

The Motor Carrier Reform Act of 1980 provides a three-year transition to the new regulatory environment with major changes in ratemaking beginning in July 1983. This act is federal legislation and, therefore, affects only interstate commerce. The number of vehicles which have been registered with the Commission by interstate carriers will be increasing significantly in the future. The following tabulation shows motor carriers classified by type.

Type	1970	1975	1979	1980	1981	1982
Common	530	524	539	555	536	554
Contract	72	86	115	120	132	136
Common & Contract	22	21	21	25	22	18
Railroad Motor	5	5	5	5	5	4
Total	629	636	680	705	695	712

"Common carrier by motor vehicle" means any person who holds himself out to the general public to engage in the transportation by motor vehicle in intrastate commerce of persons or property or any class or classes thereof for compensation, whether over regular or irregular routes, except as exempted in G.S. 62-260.

"Contract carrier by motor vehicle" means any person who, under an individual contract or agreement with another person and with such additional persons as may be approved by the Utilities Commission, engages in the transportation other than the transportation referred to in the above paragraph, by motor vehicle of persons or property in intrastate commerce for compensation, except as exempted in G.S. 62-260.

E. SUMMARY OF OPERATING DATA

A list of the Class I and II motor freight carriers, with selected operating financial data is shown in Figure Nos. 9-1 and 9-2. Data for the Class III motor freight carriers is listed in Figure No. 9-3.

There were 506 Class III motor carriers certified as of December 31, 1981. In 1982 there were 509 Class III motor carriers. However, useful data for many of the Class III carriers is not available and in many instances is nonexistent. Therefore, the list for 1982 contains data for only 467 of the 509 carriers, and 1981 contains data for only 345 of the 506 carriers.

A summary of selected data for the Class I and II carriers for the calendar years 1981 and 1982 is shown in Figure 9-4. It should be noted that the operating revenues for North Carolina are from freight moved on intrastate tariffs regulated by the North Carolina Commission only; therefore, they account for a very small percentage of the total revenues generated by this group of carriers (1.6% in 1981 and 1.8% in 1982). Reports for years prior to 1979 have shown total North Carolina revenues to be about 8% to 10% of total systemwide revenues. The prior years' data included revenues which were generated from freight moved on both North Carolina (intrastate) and Interstate Commerce Commission (interstate) tariffs.

The number of carriers in each classification changes each year because of the companies' growth in revenues and the changes every few years in the level of revenues required to qualify for the Class I and II classifications. Therefore, the use of data for comparative purposes must be employed with discretion.

FIGURE NO. 9-1

MOTOR FREIGHT CARRIERS — CLASS I
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

	North Carolina Regulated Revenues		Total Company Revenues		Total Company Expenses		Net Operating Revenues		Operating Ratios		N.C. Employee Data: Average Number of Employees		N.C. Employee Data: Total Salaries Paid	
Mobile Home Movers:	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Barrett Mobile Home Transport	$ 34	$ -0-	$ 7,870	$ 6,931	$ 7,776	$ 7,115	$ 94	$ (184)	98.8%	102.6%	-0-	-0-	$ -0-	$ -0-
Home Transportation	N/A	110	N/A	36,210	N/A	35,844	N/A	366	N/A	98.9	N/A	7	N/A	114,469
Morgan Drive-Away	123	99	35,460	32,339	34,132	30,307	1,328	2,032	96.2	93.7	8	8	63,000	65,262
National Trailer Convoy, Inc.	17	3	42,357	42,155	42,530	41,331	(173)	824	100.4	98.0	3	-0-	10,000	-0-
Transit Homes, Inc.	39	N/A	8,558	N/A	8,535	N/A	23	N/A	99.8	N/A	-0-	N/A	-0-	N/A
Total	$ 213	$ 212	$ 94,245	$ 117,635	$ 92,973	$ 114,597	$ 1,272	$ 3,038	98.7%	97.4%	11	15	$ 73,000	$ 179,731
Household Goods Movers:														
Burnham Van Service, Inc.	$ 59	$ 20	$ 47,664	$ 55,187	$ 42,316	$ 49,383	$ 5,348	$ 5,804	88.8%	89.5%	89	83	$ 1,455	$ 1,612
Fernstrom Storage & Van Co.	60	N/A	10,785	N/A	11,420	N/A	(635)	N/A	105.9	N/A	17	N/A	328	N/A
Lawrence Transfer & Storage	88	60	6,423	6,078	7,265	6,822	(842)	(744)	113.1	112.3	40	31	490	426
North American Van Lines	N/A	12	495,297	491,273	469,787	471,042	25,510	20,231	94.9	95.8	2	4	57	76
Total	$ 207	$ 92	$ 560,169	$ 552,538	$ 530,788	$ 527,247	$ 29,381	$ 25,291	94.8%	95.4%	148	118	$ 2,330	$ 2,114
General Commodities Carriers:														
Alterman Transport Lines	$ N/A	$ 220	$ N/A	$ 44,671	$ N/A	$ 43,671	$ N/A	$ 1,000	N/A%	97.8%	N/A	54	$ N/A	$ 830
Arkansas-Best Freight System, Inc.	20	41	292,396	302,901	286,352	307,591	6,004	(4,690)	98.0	101.5	244	280	7,065	7,780
Associated Petroleum Carriers, Inc.	3,876	3,641	30,500	30,267	30,067	30,415	433	(148)	98.6	100.0	-0-	-0-	-0-	-0-
B&L Motor Freight	-0-	-0-	39,102	27,930	39,672	27,826	(570)	104	101.5	99.6	1	2	9	23
B&P Motor Lines, Inc.	N/A	N/A	6,547	7,322	6,605	7,373	(58)	(51)	100.9	101.0	37	36	550	532
BI Transportation	5,135	2,704	43,019	62,256	29,739	54,668	13,280	7,588	69.2	87.8	679	642	15,230	14,674
Baker Transport	N/A	N/A	N/A	5,831	N/A	5,696	N/A	135	N/A	97.7	N/A	-0-	N/A	-0-
Billings Tansfer Corp.	333	471	11,494	12,630	10,986	12,300	508	330	95.6	97.4	191	206	3,938	4,514
Blue Ridge Transfer Co.	N/A	N/A	27,760	29,450	26,631	29,222	1,129	228	96.0	99.2	N/A	73	N/A	1,023
Boone, A.G. Co.	4,663	4,001	9,705	8,835	8,571	8,444	1,134	391	88.4	95.6	164	136	3,401	3,007
Brown Transport Corp.	-0-	-0-	142,961	137,969	133,578	130,597	9,383	7,372	93.5	94.6	168	170	3,860	3,921
Builders Transport	1,222	1,206	43,908	48,480	40,643	46,186	3,265	2,294	92.6	95.2	119	156	2,358	2,448
Burton Lines, Inc.	477	1,050	9,837	10,261	9,078	9,689	759	572	92.3	94.4	128	82	1,659	1,802
Byrd Motor Lines	-0-	-0-	5,867	5,741	5,673	5,713	194	28	96.7	99.5	114	115	1,986	2,060
C&H Transportation	N/A	2,234	150,210	116,408	135,006	109,245	15,204	7,163	89.9	93.8	N/A	20	N/A	241
Caldwell Freight Lines	N/A	275	6,483	6,591	N/A	5,727	N/A	864	N/A	86.9	N/A	133	N/A	1979
Carolina Freight Carriers Corp.	1,504	953	259,247	268,373	248,695	256,389	10,552	11,984	96.0	95.5	2,131	2,075	57,444	56,283
Central Transport	3,152	1,976	28,352	25,307	23,910	23,426	4,442	1,881	84.4	92.6	202	206	3,791	3,859
Chemical Leaman Tank Lines, Inc.	705	1,028	176,367	151,456	170,476	152,842	5,891	(1,386)	96.7	100.0	81	77	1,999	2,143
Coast Refrigerated Trucking Co.	-0-	-0-	13,674	12,809	12,669	12,091	1,005	718	92.7	94.4	27	18	429	322
Colonial Motor Freight	N/A	N/A	13,822	12,631	12,414	12,298	1,408	333	89.9	97.4	N/A	N/A	N/A	N/A
Colonial Refrigerated	N/A	N/A	N/A	38,350	N/A	36,087	N/A	2,263	N/A	94.1	N/A	N/A	N/A	N/A
Consolidated Freightways	37	41	999,469	1,036,826	923,461	979,701	76,008	57,125	92.4	94.4	445	480	12,298	14,032
Cresco Lines	N/A	95	16,000	13,943	15,979	13,722	21	221	99.9	98.4	N/A	-0-	N/A	-0-
Crete Carrier Corp.	-0-	-0-	55,984	59,239	52,674	55,712	3,310	3,527	94.1	95.8	-0-	-0-	-0-	-0-
Decato Brothers	N/A	7	6,236	5,758	6,256	5,596	(25)	162	100.4	97.2	N/A	-0-	N/A	-0-
Dewitt, L.G., Inc.	N/A	-0-	9,751	7,309	9,607	8,948	144	(1,639)	98.6	122.4	164	172	2,470	2,248
Distribution Service Systems	-0-	-0-	9,412	21,710	9,657	21,635	(245)	75	102.6	99.7	35	62	625	1,237
Electronics Transport, Inc.	1,720	N/A	11,305	N/A	10,944	N/A	361	N/A	96.8	N/A	43	N/A	523	N/A
Epes Transport System, Inc.	N/A	1,162	12,283	13,022	11,633	12,860	650	162	94.7	98.7	110	120	2,302	2,503
Estes Express Lines, Inc.	10,906	8,887	41,161	41,525	39,535	39,383	1,626	2,142	96.1	94.8	594	565	11,615	N/A
Evans, C&N, Trucking Co., Inc.	-0-	N/A	9,380	N/A	8,300	N/A	1,080	N/A	88.5	N/A	45	N/A	595	N/A
Everette Truck Line, Inc.	42	50	4,953	6,059	4,616	5,880	337	179	93.2	97.0	51	47	593	722
Fleet Transport Co., Inc.	1,022	31,093	35,827	31,902	35,143	32,707	684	(805)	98.1	102.5	18	11	296	268
Food Carrier	N/A	551	N/A	5,511	N/A	4,971	N/A	540	N/A	90.0	N/A	-0-	N/A	-0-
Forbes Transfer Co., Inc.	576	578	6,539	6,276	6,224	6,114	315	162	95.2	97.4	60	56	941	919
Fredrickson Motor Express Corp.	15,082	15,175	24,457	24,943	23,169	24,136	1,288	807	94.8	96.8	706	707	13,026	13,090

FIGURE NO. 9-1 (Continued)

MOTOR FREIGHT CARRIERS — CLASS I
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

General Commodities Carriers:	North Carolina Regulated Revenues		Total Company Revenues		Total Company Expenses		Net Operating Revenues		Operating Ratios		N.C. Employee Data: Average Number of Employees		N.C. Employee Data: Total Salaries Paid	
	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Guignard Freight Lines	$ 125	$ 203	$ 6,601	$ 2,343	$ 6,580	$ 2,311	$ 21	$ 32	99.7%	98.6%	77	93	$ 1,357	$ 1,651
Gypsum Haulage, Inc.	N/A	-0-	14,601	12,439	12,305	11,318	2,296	1,121	87.6	91.0	-0-	-0-	-0-	-0-
Herman Brothers, Inc.	N/A	-0-	21,998	21,549	21,171	21,223	827	326	96.3	98.4	N/A	-0-	N/A	-0-
Holly Farms Poultry Industries	783	-0-	14,560	13,253	17,510	16,875	(2,950)	(3,622)	120.3	127.0	134	157	2,957	3,639
H&W Trucking Co., Inc.	N/A	-0-	5,594	6,255	5,262	5,828	332	427	94.1	93.2	80	93	1,263	1,314
Indianhead Truck Lines, Inc.	N/A	-0-	31,020	28,759	30,207	28,505	813	254	97.4	99.1	N/A	-0-	N/A	-0-
Infinger Transportation Co., Inc.	106	49	7,157	7,570	6,931	7,319	226	251	96.9	96.7	21	21	295	341
J&M Transportation Co., Inc.	N/A	N/A	31,718	N/A	31,828	N/A	(110)	N/A	100.4	N/A	1	N/A	11	N/A
Jefferson Trucking Co.	N/A	7	11,775	11,639	10,957	11,230	818	409	93.1	96.5	N/A	-0-	N/A	-0-
Johnson, Bruce, Trucking Co., Inc.	N/A	2,003	15,603	12,636	16,031	12,969	(428)	(333)	102.8	102.6	N/A	195	N/A	3,901
Kenan Transport Co.	5,040	2,253	16,084	24,929	15,084	22,348	1,000	2,581	93.8	89.6	179	195	3,983	4,470
Kenosha Auto Transport	78	38	47,071	38,799	46,706	38,509	365	290	99.3	99.3	-0-	18	-0-	475
Laney Tank Lines, Inc.	510	N/A	9,804	N/A	8,402	N/A	1,402	N/A	85.7	N/A	49	N/A	866	N/A
Langer Transport Corp.	-0-	N/A	8,274	N/A	8,177	N/A	97	N/A	98.9	N/A	-0-	N/A	-0-	N/A
Liquid Transporters, Inc.	N/A	-0-	N/A	18,254	N/A	17,887	N/A	367	N/A	98.0	N/A	-0-	N/A	-0-
McClendon, Trucking Co., Inc.	66	143	28,392	29,400	26,963	28,114	1,429	1,286	95.0	95.6	30	34	535	641
McLean Trucking Co.	258	213	585,477	491,892	593,526	514,252	(8,049)	(22,360)	101.4	104.5	1,667	1	42,887	38,942
Mason & Dixon Lines, Inc.	N/A	-0-	178,070	149,014	176,363	157,507	1,707	(8,493)	99.1	94.6	222	199	4,410	4,328
Merchants Home Delivery Service	-0-	-0-	17,615	20,829	15,825	18,935	1,790	1,894	89.9	90.9	-0-	-0-	-0-	-0-
Mitchell Transport, Inc.	212	199	29,361	29,071	25,297	25,968	4,064	3,103	86.2	89.3	6	6	70	86
Moss Trucking Co., Inc.	280	315	14,115	12,559	13,705	12,424	410	135	97.1	98.9	130	119	3,028	2,657
Motor Convoy, The	N/A	1,537	58,725	56,051	56,906	56,084	1,819	(33)	96.9	100.0	N/A	67	N/A	1,383
Murrow's Transfer, Inc.	269	207	7,228	7,854	6,639	7,280	589	574	91.9	92.7	132	134	2,221	2,524
NAB Trucking Co.	N/A	-0-	22,808	23,737	22,242	23,780	566	(43)	97.6	99.8	N/A	-0-	N/A	-0-
National Freight, Inc.	24	22	80,224	78,160	79,768	78,019	456	141	99.5	99.8	6	3	98	56
Nu-Car Carrier, Inc.	3,971	4,222	70,215	79,158	66,705	77,300	3,510	1,858	95.0	97.7	36	42	1,251	1,276
O'Boyle Tank Lines, Inc.	N/A	668	19,298	14,787	19,036	14,820	262	(33)	98.7	100.2	N/A	12	N/A	92
Old Dominion Freight Line	2,576	1,759	94,250	105,039	91,808	101,505	2,442	3,534	97.4	96.6	868	800	16,093	15,208
Overnite Transportation Co.	9,664	7,210	288,741	287,820	248,863	255,097	39,878	32,723	86.2	88.6	1,211	1,015	23,598	21,707
Pilot Freight Carriers	N/A	-0-	146,858	154,034	150,069	161,410	(3,211)	(7,376)	102.2	104.8	N/A	1,267	N/A	38,626
Ploof Truck Lines, Inc.	5,821	4,917	25,291	28,156	22,673	25,390	2,618	2,766	89.7	90.2	N/A	55	N/A	821
Pony Express Courier Corp.	N/A	6,143	18,858	30,947	16,610	28,053	2,248	2,894	88.1	90.7	117	114	2,035	2,450
Purolator Courier Corp.	-0-	670	305,289	355,135	286,328	331,753	18,961	23,382	93.8	93.4	N/A	107	N/A	1,643
Redwing Carriers	47,676	-0-	24,092	20,253	24,379	21,129	(287)	(876)	101.2	95.9	-0-	-0-	-0-	-0-
Russell Transfer, Inc.	871	627	13,488	15,387	12,517	14,918	971	469	92.8	97.0	49	62	786	1,277
Schwerman Trucking Co.	885	967	78,086	61,071	79,511	61,391	(1,425)	(320)	101.9	100.5	22	15	344	352
Senn Trucking Co.	-0-	-0-	13,420	12,294	12,711	11,636	709	658	94.8	94.7	-0-	N/A	-0-	N/A
Signal Delivery Service	-0-	-0-	194,198	193,292	184,825	182,631	9,373	10,661	95.2	94.5	123	129	3,795	3,952
Southeastern Freight Lines	N/A	435	N/A	50,654	N/A	47,214	N/A	3,440	N/A	93.2	N/A	194	N/A	4,641
Spartan Express, Inc.	15	15	27,218	26,201	24,566	23,759	2,652	2,442	90.3	90.6	181	199	4,085	3,971
Standard Trucking Co.	N/A	8,565	30,058	32,531	29,146	32,161	912	370	97.0	98.8	528	554	10,622	11,706
Superior Trucking Co., Inc.	N/A	45	35,562	32,057	34,834	31,451	728	606	98.0	98.1	-0-	N/A	-0-	N/A
Textile Motor Freight, Inc.	-0-	-0-	5,529	5,517	5,530	5,637	(1)	(120)	100.1	102.2	57	57	890	15,369
Thurston Motor Lines, Inc.	7,750	6,281	94,181	97,343	88,109	94,421	6,072	2,922	93.6	97.0	1,176	1,150	20,965	21,332
Transport Service of Butner, N.C.	N/A	-0-	N/A	15,711	N/A	15,332	N/A	379	N/A	97.6	N/A	-0-	N/A	-0-
TransWorld Oil Corp.	37	184	5,698	6,029	4,030	5,257	1,668	772	70.8	87.0	N/A	2	N/A	51
Tri State Motor Transit	N/A	247	N/A	103,032	N/A	102,502	N/A	530	N/A	99.5	N/A	9	N/A	212
United Parcel Service	19,868	21,081	3,289,780	3,501,928	2,914,417	3,147,014	375,363	354,914	88.6	89.9	1,610	1,639	63,801	69,438
U.T.F. Carriers, Inc.	-0-	-0-	6,558	5,682	6,240	5,892	318	(210)	95.2	103.7	-0-	-0-	-0-	-0-

FIGURE NO. 9-1 (Continued)

MOTOR FREIGHT CARRIERS — CLASS I
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

General Commodities Carriers:	North Carolina Regulated Revenues 1981	North Carolina Regulated Revenues 1982	Total Company Revenues 1981	Total Company Revenues 1982	Total Company Expenses 1981	Total Company Expenses 1982	Net Operating Revenues 1981	Net Operating Revenues 1982	Operating Ratios 1981	Operating Ratios 1982	N.C. Employee Data: Average Number of Employees 1981	Average Number of Employees 1982	Total Salaries Paid 1981	Total Salaries Paid 1982
Vance Trucking Co., Inc.	$ 528	$ 600	$ 6,577	$ 5,617	$ 6,538	$ 5,648	$ 39	$ (31)	99.4%	100.6%	83	83	$ 1,189	$ 1,204
Watkins Motor Lines, Inc.	-0-	-0-	107,922	111,357	102,338	107,006	5,584	4,351	94.9	96.1	126	174	3,011	3,687
West Point Pepperell Transportation Co.	N/A	548	N/A	11,431	N/A	9,896	N/A	1,535	N/A	86.5	N/A	15	N/A	220
Williamson Truck Line, Inc.	-0-	-0-	6,274	6,969	6,207	6,938	67	31	99.0	99.5	125	129	1,591	1,797
Wilson Truck Corp.	653	786	35,477	36,543	32,105	33,275	3,372	3,268	90.5	91.0	135	174	2,622	3,196
Wingate Trucking Co., Inc.	N/A	-0-	N/A	7,618	N/A	5,727	N/A	1,891	N/A	75.0	N/A	-0-	N/A	-0-
Youngblood Truck Lines	-0-	-0-	8,755	10,719	8,540	11,026	215	(307)	97.5	103.0	60	85	1,157	1,824
Total	$ 158,538	$ 150,598	$8,769,556	$9,161,796	$8,120,983	$8,634,735	$ 642,085	$ 527,061	92.6%	94.2%	15,798	16,118	$ 370,819	$ 434,920
Grand Total Class I	$ 158,958	$ 150,902	$9,423,970	$9,831,969	$8,744,744	$9,276,579	$ 679,226	$ 555,390	92.7%	94.3%	15,957	16,251	$ 446,149	$ 616,765
Total No. of Companies in this data	91	95												
Total No. of Companies Regulated	91	95												

N/A — Not Available

FIGURE NO. 9-2

MOTOR FREIGHT CARRIERS — CLASS II
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982
(DOLLARS in 000's)

	North Carolina Regulated Revenues		Total Company Operations						N.C. Employee Data			
			Total Revenues		Total Expenses		Net Operating Revenues		Operating Ratios		Avg. No. of Employees		Total Salaries Paid	
Mobile Home Movers:	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Winston Carriers, Inc.	$ N/A	$ 1	$ N/A	$ 2,145	$ N/A	$ 2,228	$ N/A	$ (83)	N/A%	104.0%	N/A	-0-	$ N/A	$ -0-
Total (1 carrier)	$ N/A	$ 1	$ N/A	$ 2,145	$ N/A	$ 2,228	$ N/A	$ (83)	N/A%	104.0%	N/A	-0-	$ N/A	$ -0-
Household Goods Movers:														
Airway Moving & Storage	$ 43	$ 161	$ 1,555	$ 1,602	$ 1,515	$ 1,601	$ 40	$ 1	97.5%	99.9%	46	39	$ 489	$ 483
American Vanlines, Inc.	N/A	N/A	1,120	N/A	1,145	N/A	(25)	N/A	102.3	N/A	N/A	N/A	N/A	N/A
Barnett Truck Lines, Inc.	197	N/A	1,331	N/A	1,282	N/A	49	N/A	96.4	N/A	25	N/A	310	N/A
Baucom's Transfer & Storage Co., Inc.	41	37	1,004	1,154	N/A	1,117	N/A	37	N/A	96.8	N/A	50	N/A	467
Blue Ridge Trucking Co.	515	N/A	3,553	N/A	3,578	N/A	(25)	N/A	100.7	N/A	68	N/A	1,766	N/A
Carolina Moving & Storage, Inc.	91	N/A	1,612	N/A	1,624	N/A	(12)	N/A	100.8	N/A	36	N/A	447	N/A
Carter, Robahlee	1,107	1,054	1,432	1,463	1,244	1,291	188	172	86.9	88.0	18	14	130	138
Charlotte Van & Storage Co., Inc.	177	110	2,638	2,584	N/A	2,435	N/A	149	N/A	94.2	N/A	69	N/A	1,050
Home Storage Co., Inc.	35	40	1,095	1,131	N/A	1,121	N/A	10	N/A	99.1	N/A	23	N/A	473
Lentz Transfer & Storage Co	N/A	49	N/A	4,001	N/A	3,870	N/A	131	N/A	96.0	N/A	66	N/A	1,264
Martin Transfer & Storage Co.	92	198	1,252	1,148	1,288	1,263	(36)	(115)	102.9	110.1	43	91	527	484
Murray Transfer & Storage Co., Inc.	N/A	39	N/A	1,222	N/A	1,215	N/A	7	N/A	99.4	N/A	29	N/A	368
Security Storage Co., Inc.	28	66	1,822	1,755	1,814	174	8	1,581	99.6	99.0	48	46	417	468
Smith, M.M., Storage Whse.	53	48	1,297	1,222	1,329	1,251	(32)	(29)	102.5	102.4	49	42	564	507
Stanley's Transfer Co., Inc.	N/A	12	N/A	1,487	N/A	1,449	N/A	38	N/A	97.4	N/A	13	N/A	130
Tatum - Dalton Transfer Co.	149	201	1,291	1,980	1,353	1,867	(62)	113	104.8	94.0	38	149	728	1,055
Tru-Pak Products Co., Inc.	33	33	1,263	1,452	85	754	1,178	698	67.2	51.9	17	15	165	124
Washburn Storage Co.	1	1	2,742	2,682	2,626	2,600	116	82	95.8	96.9	24	9	170	98
Weathers Bros. Transfer Co.	-0-	3	1,284	1,272	1,285	1,272	(1)	-0-	100.1	100.0	47	46	790	631
Woodridge, J.C., Inc.	N/A	-0-	N/A	1,496	N/A	1,459	N/A	37	N/A	97.5	N/A	-0-	N/A	-0-
Yarbrough Transfer Co.	345	262	1,415	1,266	1,337	1,256	78	10	94.5	99.2	24	30	438	441
Total (21 Carriers)	$ 2,907	$ 2,314	$ 27,706	$ 28,917	$ 21,505	$ 25,995	$ 1,464	$ 2,922	98.7%	89.9%	483	731	$ 6,941	$ 8,181
General Commodities Carriers:														
Anderson Truck Lines, Inc.	$ -0-	$ 1,394	$ 4,662	$ 4,497	$ 4,331	$ 4,261	$ 331	$ 236	92.9%	94.8%	126	130	$ 1,745	$ 1,705
Barnett Truck Line, Inc.	N/A	221	N/A	1,475	N/A	1,406	N/A	69	N/A	95.4	N/A	25	N/A	333
Billings Trucking Corp.	12	-0-	1,632	1,229	1,820	1,353	(188)	(124)	111.6	110.0	55	40	639	521
Bio-Med-Hu, Inc.	-0-	-0-	3,279	3,491	3,400	3,351	(121)	140	103.7	96.0	6	2	84	44
Boward Truck Line, Inc.	-0-	7	1,889	1,739	1,876	1,744	13	(5)	99.4	100.3	8	4	99	75
Bralley-Willett Tank Lines, Inc.	N/A	94	N/A	4,891	N/A	4,548	N/A	343	N/A	93.0	N/A	10	N/A	122
Cabarrus Consolidating & Mgm. Co.	115	59	2,897	3,727	2,321	3,168	576	559	80.2	85.0	36	50	505	780
Cargocare Transportation Co., Inc.	N/A	485	2,400	3,484	2,284	3,312	116	172	95.2	95.1	N/A	6	N/A	173
Carolina Carriers, Inc.	1,041	724	1,041	N/A	1,056	N/A	(15)	N/A	101.5	N/A	22	N/A	193	N/A
Carroll's Transfer, Inc.	-0-	-0-	2,666	2,662	2,701	2,668	(35)	(6)	101.4	100.2	44	43	652	631
Catawba Trucking Co., Inc.	N/A	420	N/A	3,534	N/A	3,112	N/A	422	N/A	88.0	N/A	1	N/A	125
Clarkson Brothers Machinery Haulers, Inc.	-0-	17	1,865	1,708	1,716	1,755	149	(47)	92.1	103.0	-0-	1	-0-	25
Coastal Transport, Inc.	847	1,496	1,444	1,573	1,339	1,429	105	144	92.8	90.8	12	10	188	221
Columbus Motor Lines, Inc.	N/A	7	N/A	1,638	N/A	1,728	N/A	(90)	N/A	105.5	N/A	22	N/A	460
Commercial Couriers, Inc.	N/A	1,148	N/A	1,641	N/A	1,412	N/A	229	N/A	86.0	N/A	69	N/A	609
Continental Transport Systems, Inc.	N/A	1	N/A	1,014	N/A	963	N/A	51	N/A	95.0	N/A	-0-	N/A	-0-
Contract Transporters, Inc.	1,614	1,557	1,614	1,573	1,369	1,459	245	114	84.9	93.0	33	44	597	632
Cooke Trucking Co., Inc.	-0-	-0-	59	1,898	N/A	1,878	N/A	20	N/A	99.0	N/A	28	N/A	529
Custom Transport, Inc.	1,415	638	3,527	2,940	3,387	2,846	140	94	96.1	96.7	85	78	1,406	1,202
D&L Trucking, Inc.	-0-	979	1,867	2,217	1,743	1,971	124	246	93.4	88.9	32	30	511	648

FIGURE NO. 9-2 (Continued)

MOTOR FREIGHT CARRIERS — CLASS II
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982
(DOLLARS in 000's)

General Commodities Carriers	North Carolina Regulated Revenues		Total Company Operations						N.C. Employee Data			
			Total Revenues		Total Expenses		Net Operating Revenues		Operating Ratios		Avg. No. of Employees		Total Salaries Paid	
	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Dahn, Richard, Inc.	$ -0-	$ N/A	$ 3,737	$ N/A	$ 3,637	$ N/A	$ 100	$ N/A	97.4%	N/A%	-0-	N/A	$ -0-	$ N/A
Davie Truckers, Inc.	-0-	-0-	2,859	2,229	2,667	2,212	192	17	93.3	99.3	23	22	406	371
DeHart Motor Lines, Inc.	1,091	713	5,278	3,831	5,479	4,090	(201)	(259)	103.8	106.8	125	98	1,470	1,328
Dixie Trucking Company, Inc.	2,802	3,267	3,308	3,858	3,170	3,768	138	90	95.9	90.1	68	83	1,547	1,871
Douglas and Bess, Inc.	7	2	3,012	2,736	2,819	2,739	193	(3)	85.3	100.1	41	43	780	967
E-B Trucking Co., Inc.	1,016	394	1,016	1,059	1,015	1,052	1	7	99.9	99.3	18	18	282	281
Eagle Transport Corp.	2,254	2,538	4,012	4,068	3,955	4,016	57	52	98.6	98.7	57	63	862	915
East Coast Transport Co.	1,152	0-	1,152	1,208	1,089	1,147	63	61	94.6	95.0	30	30	325	340
Eastern Motor Lines, Inc.	-0-	-0-	1,527	1,420	1,516	1,394	11	26	99.3	98.2	5	2	65	49
Eastern Oil Transport, Inc.	1,336	1,433	1,388	1,490	1,436	1,497	(48)	(7)	103.5	100.4	40	42	498	500
Edmac Trucking Co., Inc.	301	335	866	1,020	N/A	1,015	N/A	5	N/A	99.5	N/A	20	N/A	275
Electric Transport, Inc.	-0-	-0-	4,936	3,415	4,845	3,438	91	(23)	98.2	101.0	12	10	177	193
Ezzell Trucking Co.	292	268	2,547	2,541	2,491	2,538	56	3	97.8	99.8	19	25	386	366
Forbes Refrigerated Transport, Inc.	94	69	1,608	1,494	1,581	1,448	27	46	98.4	96.9	17	20	338	341
Freightways, Inc.	458	359	N/A	2,179	N/A	1,898	N/A	281	N/A	87.1	8	8	120	118
Gallimore, D.P. & Sons, Inc.	-0-	N/A	2,601	2,449	2,617	2,402	(16)	47	100.7	98.1	37	N/A	572	N/A
General Trucking Service, Inc.	N/A	-0-	N/A	1,039	N/A	932	N/A	107	N/A	89.7	N/A	-0-	N/A	-0-
Glass Container Transport, Inc.	-0-	1,235	3,191	N/A	3,008	N/A	183	N/A	94.3	N/A	80	110	505	674
Glosson Enterprises, Inc.	N/A	42	N/A	4,098	N/A	4,052	N/A	46	N/A	98.8	N/A	81	N/A	1,058
Goldston Transfer, Inc.	721	681	1,898	3,670	1,757	3,290	141	380	92.6	90.0	31	41	489	774
Groves, F.W., Trucking Co.	317	275	1,178	1,140	1,132	1,139	46	1	96.1	99.8	27	30	366	395
Haines, Earl, Inc.	-0-	-0-	1,212	1,217	1,265	1,108	(53)	109	104.4	91.0	-0-	-0-	-0-	-0-
Harper Trucking Co., Inc.	1,841	1,853	1,841	1,853	1,772	1,888	69	(35)	96.3	101.9	56	53	943	1,027
Hatcher, M.L., Pick-Up and Delivery	3,705	4,085	3,705	N/A	3,528	N/A	177	N/A	95.3	N/A	N/A	66	1,143	1,353
Henry, C.S., Transfer, Inc.	-0-	72	3,906	2,839	3,793	2,630	113	209	97.1	92.6	72	53	1,441	1,043
H.F.C.S. Transport Company	165	283	N/A	2,035	N/A	1,852	N/A	183	N/A	91.0	N/A	25	N/A	470
Howell's Motor Freight, Inc.	238	N/A	3,821	N/A	N/A	N/A	3,821	N/A	N/A	N/A	58	N/A	653	N/A
Hudson Transportation, Inc.	N/A	6	3,600	4,234	3,277	3,913	323	321	91.1	92.4	N/A	7	N/A	113
Iredell Milk Transportation, Inc.	14	112	N/A	3,763	N/A	3,550	N/A	213	N/A	94.0	35	40	609	645
KFM Transport, Inc.	N/A	35	N/A	1,005	N/A	1,125	N/A	(120)	N/A	112.0	N/A	-0-	N/A	-0-
Kugler, George W., Inc.	294	2,200	3,709	2,899	3,808	3,016	(99)	(117)	102.7	104.0	30	4	575	238
Lisk, Howard, Inc.	378	N/A	1,541	N/A	1,313	N/A	228	N/A	85.2	N/A	32	N/A	294	N/A
McLaurin Trucking Co.	N/A	1,611	1,924	2,092	1,856	2,134	68	(42)	96.5	102.0	N/A	49	N/A	714
Marine Transport Co.	N/A	N/A	1,190	N/A	1,211	N/A	(21)	N/A	101.8	N/A	12	N/A	180	N/A
Martin Motor Lines, Inc.	974	925	1,211	1,164	1,175	N/A	36	N/A	97.1	N/A	34	N/A	531	N/A
Mercer Brothers Trucking Co.	87	96	2,126	2,316	1,969	2,247	157	69	92.7	97.0	38	99	417	430
Merritt Trucking Co.	N/A	165	N/A	3,006	N/A	2,898	N/A	108	N/A	96.4	N/A	58	N/A	986
Nationwide Horse Carriers	-0-	N/A	2,807	2,283	2,715	2,226	92	57	96.8	97.4	-0-	-0-	-0-	-0-
North State Motor Lines, Inc.	N/A	146	3,387	3,446	3,187	3,226	200	220	94.1	93.6	N/A	39	N/A	512
Observer Transportation	316	246	4,296	4,543	3,982	4,361	314	182	92.7	96.0	132	103	2,206	2,130
Oliver Trucking Co., Inc.	-0-	-0-	4,880	4,904	4,136	4,142	744	762	84.8	84.5	-0-	-0-	-0-	-0-
Parmenter Transport Co., Inc.	N/A	22	N/A	1,007	N/A	950	N/A	57	N/A	94.0	N/A	21	N/A	299
Pitt County Transportation Co.	1,095	296	3,540	3,466	3,291	3,199	249	267	93.0	92.3	41	42	564	760
Quality Oil Transport	1,197	1,354	1,431	1,429	1,155	1,087	276	342	80.8	76.1	28	24	397	446
Quinn, James Elwood, Jr.	N/A	-0-	1,350	1,177	1,307	1,246	43	(69)	96.9	105.9	N/A	21	N/A	250
Rothrock, J.L., Inc.	-0-	-0-	1,834	2,158	1,799	2,111	35	47	98.1	97.9	44	43	767	854
Russ Transport, Inc.	364	270	3,086	2,532	3,307	3,084	(221)	(552)	107.2	121.8	9	12	125	128
Seacoast Transportation Co.	N/A	N/A	4,950	4,425	5,904	572	(954)	3,853	119.3	77.4	N/A	N/A	N/A	N/A

N/A — Not available.
N/R — Report not submitted or in dormant status.

FIGURE NO. 9-2 (Continued)

MOTOR FREIGHT CARRIERS — CLASS II
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982
(DOLLARS in 000's)

General Commodities Carriers:	North Carolina Regulated Revenues		Total Company Operations						N.C. Employee Data			
			Total Revenues		Total Expenses		Net Operating Revenues		Operating Ratios		Avg. No. of Employees		Total Salaries Paid	
	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
Sherman & Boddie, Inc.	$ 364	$ 518	$ 1,288	$ 1,395	$ 1,055	$ 1,100	$ 233	$ 295	81.9%	78.9%	26	33	$ 404	$ 435
Shippers Freight Lines, Inc.	1,937	-0-	1,937	2,773	1,808	2,718	129	55	93.4	98.0	35	63	714	1,136
Skyline Transportation, Inc.	-0-	22	3,305	3,909	3,323	3,879	(18)	30	100.6	99.2	8	12	172	248
Smith, Aaron, Trucking Co., Inc.	889	2,120	4,260	4,144	4,217	4,115	43	29	99.0	99.3	17	45	284	410
Smith Transfer Co., Inc.	22	11	1,364	1,518	1,359	1,509	5	9	99.7	99.4	38	20	353	326
Southern Oil Transportation Co., Inc.	983	1,034	983	1,034	N/A	1,030	N/A	4	N/A	99.6	N/A	27	N/A	378
Stacy, D.W., Co., Inc.	N/A	-0-	N/A	1,222	N/A	1,177	N/A	45	N/A	96.0	N/A	-0-	N/A	-0-
Stegall, T.G., Trucking Co.	-0-	-0-	2,285	2,132	2,288	2,174	(3)	(42)	100.2	102.0	35	33	596	596
Super Motor Lines, Inc.	1,597	1,732	1,879	2,000	1,836	2,076	43	(76)	97.8	104.0	52	55	789	905
Superior Motor Express, Inc.	N/A	45	2,360	2,423	2,373	2,455	(13)	(32)	100.6	101.3	N/A	15	N/A	213
Swing Transport, Inc.	1,003	1,115	1,543	1,715	1,357	1,504	186	211	88.0	87.0	19	18	281	349
Tahweelalan Express, Inc.	10	40	2,386	2,086	2,346	2,150	40	(64)	98.4	103.0	42	33	920	727
Terminal Trucking Co., Inc.	N/A	2,775	N/A	2,927	N/A	2,286	N/A	641	N/A	78.0	N/A	60	N/A	951
321 Equipment Leasing Co.	-0-	22	1,310	2,195	1,074	2,313	236	(118)	82.0	105.0	28	39	475	573
Tidewater Transit Co., Inc.	544	731	1,505	1,524	1,507	1,507	(2)	17	96.3	98.8	27	29	473	498
Underwood & Weld Co., Inc.	1	N/A	3,440	2,720	3,298	2,960	142	(240)	95.9	108.8	45	N/A	868	N/A
United Merchants, Inc.	137	63	6,118	4,383	5,933	4,508	185	(125)	97.0	103.0	58	47	1,389	1,206
Vickers, C.L., Transfer, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wallace Trucking Co.	94	7	1,445	1,422	1,817	1,719	(372)	(297)	125.8	120.8	33	32	534	480
Wendell Transport, Inc.	1,249	176	1,440	1,378	1,374	1,337	66	41	95.9	97.0	27	24	426	408
West Brothers Transfer & Storage	186	267	1,280	1,292	1,103	1,174	177	118	86.2	90.9	44	54	622	798
Western Carolina Express, Inc.	744	1,107	919	1,107	N/A	1,124	N/A	(17)	N/A	101.5	N/A	48	N/A	473
Widenhouse, A.C., Inc.	2,129	2,094	2,546	2,690	2,494	2,590	52	100	98.0	96.3	96	69	774	1,023
Winston Carriers, Inc.	29	N/A	3,062	N/A	2,551	N/A	511	N/A	83.4	N/A	1	N/A	11	N/A
Worsley Transport, Inc.	1,043	896	1,303	1,179	1,252	1,166	51	13	96.1	98.9	16	16	232	250
Yeary Transport Co., Inc.	-0-	-0-	1,677	1,342	1,576	1,351	101	(9)	94.0	100.6	-0-	-0-	-0-	-0-
Zackly Rite Trucking, Inc.	N/A	33	N/A	1,152	N/A	1,048	N/A	104	N/A	91.0	N/A	13	N/A	235
Total	$ 40,514	$ 49,443	$187,879	$203,330	$175,248	$191,966	$ 9,863	$10,200	93.2%	94.4%	2,365	2,883	$ 36,969	$ 44,667
GRAND TOTAL (Class II)	$ 43,421	$ 51,758	$215,585	$232,247	$196,753	$220,189	$11,327	$13,039	91.2%	94.8%	2,848	3,514	$ 43,910	$ 52,848
Total No. of companies in this data	94	104												
Total No. of companies regulated	98	108												

N/A — Not available.

FIGURE NO. 9-3

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

Mobile Home Movers:	North Carolina Regulated Revenues 1981	North Carolina Regulated Revenues 1982	Total Company Revenues 1981	Total Company Revenues 1982
A & B Mobile Home Movers, Inc.	$ 6,650	$ 5,768	$ 6,650	$ 5,768
Action Freight Lines, Inc.	N/A	15,147	N/A	15,147
Allen Realty Company, Inc.	3,476	2,212	3,476	2,212
Barker, Cecil E., Mobile Home Movers	1,895	4,778	2,105	4,778
Bass Mobile Home Moving	43,438	36,127	43,438	36,127
Benton, James Edgar	330	N/A	330	N/A
Big King Mobile Homes	-0-	695	-0-	695
Bob's Mobile Home Transport & Service	N/A	-0-	N/A	6,271
Border's Mobile Home Movers	29,671	26,164	29,671	26,164
Bradley, Bill B.	12,672	10,355	12,672	10,355
Bratford, Boyd W., Jr.	31,703	18,272	31,703	18,272
Bryant, Billy Trailer Moving	N/A	46,418	N/A	46,418
Bryant's Trailor Convoy	45,621	58,635	45,621	58,635
Bullock, Richard E.	7,513	10,132	7,513	10,132
Canipe's Wrecker Service & Mobile Home Movers	N/A	390	N/A	N/A
Cantrell, Charles Assoc., Inc	N/A	205	N/A	205
Carolina Mobile Home Movers	18,859	N/A	18,859	N/A
Carolina Mobile Home Service	3,648	7,790	3,648	7,790
Carroll's Mobile Home Transport	N/A	7,200	N/A	7,200
Carteret Mobile Home Movers	N/A	18,600	N/A	18,600
Coats, Lewis C.	34,824	43,007	34,824	43,007
Cockerham's, Wallace, Towing, Inc.	17,000	24,058	17,000	24,058
Coley's Welding Service, Inc.	N/A	3,905	N/A	3,905
Cornett Mobile Home Movers	3,795	N/A	3,795	N/A
Council, Jimmy	N/A	11,000	N/A	11,000
Council's Mobile Home Movers, Inc.	N/A	5,139	N/A	5,139
Daniels Mobile Home Movers	16,139	16,871	16,139	16,871
Davidson, R.	N/A	153,120	N/A	232,000
Doug's Mobile Home Towing, Inc.	115,822	138,602	195,148	468,521
Duncan, Norman, D&N Motors	N/A	9,840	N/A	9,840
Edwards Mobile Home Moving	-0-	N/A	-0-	N/A
Eller, Sam D., Motor Carriers, Inc.	N/A	21,922	N/A	21,922
Energy & Cost Efficient Homes & Transport	7,684	3,756	7,684	3,756
Evans, Donald Mobile Home Movers, Inc.	N/A	94,597	N/A	94,597
Five C's, Inc.	3,060	1,600	3,060	1,600
Frady, James Woodrow	23,161	27,297	23,161	27,297
Frank's Mobile Home Movers	11,668	12,893	11,668	12,893
Glover Sales, Inc.	3,441	3,087	3,441	3,087
Graham, Garland R.	2,913	6,676	2,913	6,676
Grandpap's Mobile Home Service	58,528	48,453	58,528	48,453
Hall's Mobile Home Movers	N/A	6,803	N/A	6,803
Hamrick, J. Austin	11,960	10,044	11,960	10,044
Hendley, Grover Gerald	N/A	2,600	N/A	2,600
Herman, Ray L.	10,541	11,435	10,541	11,435
Jack's Mobile Home Service	19,030	N/A	19,030	N/A
Johnny's Mobile Home Service of Asheville	168,411	98,911	168,411	98,911
Johnson Mobile Home Movers	N/A	11,625	N/A	11,625
Jones Mobile Home Service, Inc.	11,802	N/A	11,802	N/A
Lamb's Mobile Home Movers	27,000	20,864	27,000	20,864
Laughinghouse, Charles C.	53,260	52,401	53,260	52,401
Lewis, Joe, Mobile Home Moving Service	15,380	14,357	15,380	14,357
Long's Body Shop	N/A	15,515	N/A	15,515
Lorraine Transporters	N/A	7,786	N/A	7,860
Lower Creek Mobile Homes	13,450	12,425	13,450	12,425
McCreary Mobile Home Towing Service	26,504	20,492	26,504	20,492
McMillan Crane Service, Inc.	N/A	17,000	N/A	17,000
M&M Movers	N/A	10,360	N/A	10,360
Moore's Mobile Manor and Service	N/A	21,951	N/A	21,951
Mobile Home Sales & Repair	N/A	3,137	N/A	3,137
Moncure, Henry Motors	876	2,255	876	2,255
Northwestern Dodge-Ply, Sales, Inc.	10,724	-0-	10,724	6,387
Oak Hill Mobile Home Movers, Inc.	1,580	14,530	1,580	18,855
Outer Banks Mobile Home Transit	16,550	N/A	16,550	N/A
O'Neal's Trailer Sales	N/A	3,723	N/A	3,723
P & Y Mobile Homes, Inc.	3,087	N/A	3,087	N/A
P and Y Mobile Homes, Inc.	N/A	2,351	N/A	2,351
Patterson, Ralph K.	1,000	1,200	1,000	1,200
Paul, Charles	77,139	165,588	77,139	165,588
Piedmont Mobile Home Movers	10,809	4,500	10,809	4,500
Piedmont Mobile Home Movers, Inc.	5,700	N/A	5,700	N/A
Pinebluff Mobile Home Park	795	1,085	795	1,085

N/A — not available
N/R — Report nor submitted or in dormant status

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

Mobile Home Movers:	North Carolina Regulated Revenues 1981	North Carolina Regulated Revenues 1982	Total Company Revenues 1981	Total Company Revenues 1982
Pop's Trailer Towing Co., Inc.	$ 154,100	$ 159,998	$ 154,100	$ 159,998
Pope's Mobile Home Moving, Inc.	69,456	66,718	69,456	82,008
Potter's Mobile Home Service	N/A	-0-	27,877	43,020
Price, Mobile Home Movers	9,750	11,460	9,750	11,460
Ratley Mobile Home Sales & Service	9,067	3,668	9,067	3,668
Rick's Trailer Park	13,895	10,904	13,895	12,834
Rice's Mobile Home Service	5,899	4,741	5,899	4,741
Riverside Mobile Home Movers	14,572	24,963	14,572	24,963
Ronald's Trailer Transport	31,061	33,592	36,028	38,121
Rorer's Mobile Home	13,549	9,058	13,549	9,058
Rupard, C.B., and Sons	N/A	233	N/A	233
Snow, Ted B.	N/A	54,822	N/A	54,822
Sumerlin, Jasper-S&H	N/A	16,114	N/A	16,114
Smith, Larry M., Trucking, Inc.	N/A	6,170	N/A	6,170
Spruill, Norman Arlington	23,330	16,370	27,960	19,769
Stephenson's Mobile Transport	6,469	N/A	6,469	N/A
Stevenson, R.L.	9,136	7,857	9,136	7,857
Strick's Transporters	-0-	N/A	-0-	N/A
Williams Mobile Home Transport	7,248	3,423	7,248	3,423
Williams, J.L., Trailer Moving Co.	31,127	29,686	31,127	29,686
Williamson Mobile Home Transit	N/A	11,393	N/A	11,393
Wilson Enterprises, Inc.	N/A	8,134	N/A	8,168
Wood Mobile Home Movers	8,300	9,400	8,300	9,400
Total	$ 1,396,068	$ 1,915,153	$ 1,513,078	$ 2,410,021
Total No. of Mobile Home Moving Companies included in this data*	62	82		
Total No. of Mobile Home Moving Companies authorized to operate	93	94		

N/A — not available
N/R — Report not submitted or in dormant status.

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

Household Goods Movers:	North Carolina Regulated Revenues 1981	1982	Total Company Revenues 1981	1982
A-1 Moving & Storage, Inc.	$ 55,163	$ 22,435	$ 314,876	$ 274,932
AAA Spruill Moving & Storage	16,763	29,189	35,782	33,413
AAA Storage Co., Inc.	628	117,415	271,608	456,075
AAction Moving & Storage	15,542	273,974	117,963	510,108
ABC Moving & Storage, Inc.	102,097	N/A	451,954	N/A
Abernathy Transfer & Storage Co., Inc.	27,375	132,064	27,375	266,537
Ace Moving & Storage Co.	2,787	22,638	154,598	100,930
Acme Movers & Storage Co., Inc.	8,425	157,241	233,516	210,433
Advanced Moving & Storage	N/A	-0-	N/A	-0-
Alamance Trans. & Storage Co., Inc.	546	2,356	57,293	69,479
All American Movers	N/A	24,589	123,403	85,469
All American Moving & Storage	39,329	26,346	250,050	238,685
Allen's Moving & Storage, Inc.	5,851	11,270	276,196	275,969
Allen's Moving Service of Fayetteville, Inc.	2,010	69,573	70,327	85,448
Allstate's Moving & Storage	11,748	44,368	490,453	422,550
American Distribution Systems	N/A	79,343	N/A	149,294
American Movers, Inc.	44,605	N/A	472,448	N/A
Asheville Transfer & Storage, Inc.	57,541	45,870	431,625	415,460
Atlantic-Pacific Van & Storage, Inc.	128,513	100,523	135,637	113,361
B & W Local Moving	-0-	-0-	147,883	146,967
Baker, Tom, Express, Inc.	471,306	470,840	591,265	585,388
Bartlett, Jack, Moving Co.	6,995	10,101	26,994	41,201
Blue-Bird Diamond Taxi	N/A	36,842	N/A	36,842
Bowen's Moving & Storage, Inc.	N/A	567	N/A	54,520
Branch Moving & Storage, Inc.	18,428	40,601	N/A	N/A
Brevard Moving & Storage Co., Inc.	N/A	82,653	N/A	145,127
Bright's Transfer, Moving & Storage	N/A	6,444	16,885	6,444
Brigman Transfer Co. & Storage	N/A	7,570	N/A	7,570
Burks Moving & Storage, Inc.	47,316	162,907	387,040	436,315
Byers, Samuel A. & Sons, Moving Service	16,455	48,965	24,455	54,538
Capital Moving & Warehousing, Inc.	50,847	118,410	462,264	345,009
Capital Van Lines, Inc.	17,817	145,615	234,576	251,745
Cardinal Moving & Storage, Inc.	61,456	68,552	574,950	687,291
Cashion Moving & Storage, Inc.	23,601	66,970	147,661	155,175
Central Warehouse Co. of Durham	N/A	17,971	N/A	219,605
Century Movers, Inc.	N/A	121,283	N/A	154,206
Champion Storage & Trucking Co., Inc.	N/A	-0-	N/A	15,543
Champion Transfer Co.	8,166	15,330	8,166	16,330
City Transfer & Storage Co.	67,604	525,285	907,558	951,723
City Transfer & Storage Co. of Fayetteville	N/A	58,450	N/A	58,450
Clark Transfer Co., Inc.	82,640	165,172	249,312	393,398
Coastal Moving Co., Inc.	1,742	4,616	350,583	272,720
Connie Gray Cornatzer	N/A	35,000	N/A	35,000
Coley Moving & Storage, Inc.	87,738	186,552	456,952	506,485
Crown Moving & Storage, Inc.	1,155	203,993	271,857	302,656
Custom Moving & Storage, Inc.	253	155,832	168,166	227,334
David's Econo Move	3,500	-0-	293,422	660,058
Dawson-Joyce Moving & Storage Co.	4,594	84,504	410,042	300,234
DeHaven's Transfer & Storage, Inc.	N/A	37,383	N/A	859,482
Denham Moving & Storage	N/A	47,496	N/A	159,789
Dixie Moving & Storage Co., Inc.	5,480	49,141	142,835	330,573
Dun Mar Moving Systems	N/A	43,564	N/A	153,315
Durham Transfer & Storage, Inc.	N/A	58,623	N/A	292,461
East Spencer Moving Corp., The	3,675	6,513	3,675	6,513
Edwards, James Woodrow	15,071	20,908	15,071	20,908
Farrar Transfer & Storage Warehouse, Inc.	57,901	232,167	473,876	480,829
Fayetteville Moving & Storage, Inc.	17,258	229,139	916,565	817,596
Ferguson, Eugene A., Moving Co.	N/A	5,000	N/A	5,000
Fidelity Moving & Storage Co., Inc.	17,880	310,206	624,089	472,959
Fleming-Shaw Transfer & Storage, Inc.	391,457	229,037	509,447	519,923
Four Seasons Moving Company	16,360	59,921	58,611	75,676
Fox Brothers	13,960	32,388	66,829	97,303
Gasperson Transfer, Inc.	26,604	105,971	100,250	105,971
Goodwin, K.W., Transfer, Co.	N/A	15,132	N/A	90,666
Granville House, Inc.	851	43,363	306,703	211,620
Greenwood Transfer & Storage, Inc.	N/A	11,300	N/A	11,300
Gilbert Trucking Co.	32,540	63,015	142,640	106,781
Goldsboro Van & Stroage, Inc.	6,086	66,230	129,523	117,469
Grady Moving & Storage, Inc.	N/A	708	971	N/A
Griffin Transfer & Storage	40,147	89,504	169,811	184,972
Grose, J.R., Transfer Co.	-0-	-0-	-0-	70,668
Hafer Transfer Co.	N/A	41,692	N/A	47,508
Haley Transfer & Storage, Inc.	N/A	-0-	N/A	-0-

N/A — not available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

Household Goods Movers:	North Carolina Regulated Revenues 1981	1982	Total Company Revenues 1981	1982
Hall's Transfer	$ 19,876	$ 60,724	$ 61,811	$ 65,255
Harrison Moving & Storage, Inc.	50,498	111,247	197,902	143,451
Harvel's, Cliff, Moving Company	44,049	119,851	145,616	119,852
Haywood Transfer & Storage Co., Inc.	N/A	43,754	N/A	167,929
Hester Transfer & Storage Co., Inc.	N/A	-0-	N/A	8,375
Highland Moving & Storage Company, Inc.	488	2,105	221,432	279,364
Hodges Transfer & Storage	1,743	71,041	51,191	133,784
Humphrey, David Charles	2,840	3,670	2,840	3,670
Humphrey, Troy, Moving & Storage, Inc.	631	14,529	252,371	283,479
Ingle Transfer & Storage Co., Inc.	27,816	108,100	509,329	503,195
Isenhower Transfer & Storage Co., Inc.	41,589	158,409	284,907	303,206
Jackson Moving & Storage Co., Inc.	78,774	197,954	853,530	916,901
Jones, Henderson S.	N/A	35,545	N/A	39,985
Kallam Transfer	17,883	57,320	233,698	142,334
Keever Moving Service, Inc.	N/A	25,839	N/A	N/A
Kepley Moving & Storage, Inc.	N/A	48,574	52,558	50,959
Kinston Moving & Storage, Inc.	N/A	29,218	N/A	101,572
Ladd, J.E., & Son	3,666	41,312	35,935	41,312
Lee, Ambrose, Jr.	2,960	N/A	2,960	N/A
Lewis and Thompson Transfer	-0-	N/A	-0-	N/A
McCauley Bros. Moving & Storage, Inc.	12,545	51,680	558,513	467,405
McCauley Moving & Storage of Fayetteville	28,904	227,372	223,213	241,851
May Moving of Goldsboro, Inc.	1,555	35,853	325,294	221,591
Merchants Moving & Storage, Inc.	370	88,523	172,701	177,962
Mercer's Moving & Hauling	N/A	21,601	N/A	23,510
Modern Moving & Storage, Inc.	31,446	334,322	728,308	708,667
Morehead Moving & Storage, Inc.	13,335	58,156	79,443	131,881
Move-It Company, Harold Proffitt	6,168	67,944	160,167	138,951
National Transfer Storage, Inc.	21,693	N/A	105,651	N/A
North America Transfer & Storage	36,070	141,871	287,035	321,046
Neptune World Wide Moving of N.C., Inc.	137,406	101,988	452,660	169,525
Owens, W.W., and Sons Transfer	28,620	181,957	366,724	299,797
Pannell Transfer	17,179	16,496	17,179	16,496
Patterson Storage Warehouse Co., Inc.	47,192	594,758	722,990	737,592
Piedmont Home Delivery & Service Co.	N/A	34,885	N/A	34,985
Piedmont Movers, Inc.	69,684	200,556	781,364	379,466
Piedmont Van & Storage	1,211	770,892	166,483	246,082
Pilot Van Lines	N/A	-0-	1,473	1,169
Port City Transfer & Storage Co.	N/A	-0-	68,160	115,354
Proctor Brothers Moving & Storage, Inc.	N/A	9,432	N/A	10,110
Queen City Moving & Storage	N/A	228,383	682,981	666,532
Raleigh Bonded Warehouse, Inc.	22,394	50,544	133,450	140,799
Raleigh Furniture Storage Company, Inc.	41,514	280,156	525,000	498,806
Ray Manly Moving	27,216	26,923	27,216	29,333
Ray Moving & Storage, Inc.	79,798	303,102	720,364	710,945
Reliable Van & Storage	12,491	53,714	463,523	485,821
Rucker Moving & Storage Co., Inc.	N/A	160,423	N/A	501,417
Rucker Transfer & Storage Co., Inc.	71,770	215,349	665,701	836,538
Russell Transfer Co., Inc.	41,092	274,847	335,282	351,451
Salisbury Moving & Storage	N/A	3,250	N/A	13,003
Sandhills Bonded Warehouse, Inc.	21,100	77,119	128,584	108,882
Sanford Transfer & Storage Co.	2,254	10,617	17,371	31,717
Seaboard Moving & Storage, Inc.	N/A	-0-	1,473	1,169
Sells Service, Inc.	65,147	170,390	312,385	319,700
Service Moving & Storage Co.	2,403	71,543	453,028	323,806
Sheets Transfer & Storage Co., Inc.	34,048	87,947	487,683	496,606
Smith, Elton C., Jr., Moving Co.	32,822	60,426	76,631	76,277
Smith Transfer & Storage	2,267	10,829	10,772	10,829
Smith, W.E., Moving Co., Inc.	-0-	-0-	62,790	65,751
Staley, Joseph T.	5,418	14,178	11,371	14,178
Standard Moving & Storage	N/A	35,804	275,317	302,163
State Moving & Storage, Inc.	170	137,104	344,485	208,188
Superior Movers & Warehouse, Inc.	-0-	N/A	-0-	N/A
Tar Heel Moving & Storage, Inc.	27,754	82,568	247,365	236,569
Terminal Storage Co., Inc.	-0-	123,913	283,877	199,358
Thomas Transfer, Inc.	N/A	-0-	N/A	78,554
Tri-City Moving & Storage, Inc.	122,678	336,861	600,256	605,729
Tryon Moving & Storage, Inc.	N/A	-0-	N/A	173,060
Umstead Bros., Inc.	N/A	125,595	N/A	125,595
Union Transfer & Storage Co. Inc.	35,491	140,755	352,391	448,160
Weathers Bros. Moving & Storage Co., Inc.	-0-	-0-	4,131	4,127
Welch Moving & Storage Co., Inc.	59,848	165,033	550,504	780,000
West's Durham Transfer & Storage, Inc.	24,423	84,060	275,452	445,882

N/A — not available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

Household Goods Movers:	North Carolina Regulated Revenues 1981	North Carolina Regulated Revenues 1982	Total Company Revenues 1981	Total Company Revenues 1982
Whitley, Abe, Moving & Sforage, Inc.	$ 56.240	$ 277.510	$ 589.884	$ 533.301
Wile Transfer & Storage Co.	36.414	123.490	226.004	289.100
Williams, R M.	N/A	62.994	N/A	62.994
Williams Transfer & Storage, Inc.	24.725	60.528	156.654	122.353
Willis Moving & Storage, Inc.	12.757	16.840	124.309	163.807
Wilmington Moving & Storage, Inc.	N/A	53.520	N/A	207.520
Woolridge, Inc.	832	N/A	1.315.396	N/A
Winston Movers, Inc.	N/A	89.779	N/A	253.865
Wyatt, George Junior	9.762	6.845	9.762	6.845
Total	$ 3.754.824	$ 13.889.037	$ 31.902.861	$ 35.194.092
Total No. of Household Goods Moving Companies included in this data	116	145		
Total No. of Household Goods Moving Companies authorized to operate	153	155		

N/A — not available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

General Commodities Carriers:	North Carolina Regulated Revenues 1981	1982	Total Company Revenues 1981	1982
A-1 Wrecker Service of Chatham County, Inc.	$ 2,179	$ 1,043	$ 72,651	$ 112,211
A&J Motor Lines, Inc.	N/A	82,412	N/A	123,075
A.J.S. Trucking Company	255,136	273,870	255,136	N/A
Ace Transport, Ltd.	N/A	406,528	N/A	406,528
Airport Ground Transportation Service, Inc.	N/A	401,240	N/A	411,547
Alexander Trucking Co., Inc.	N/A	94,279	N/A	103,828
Arnold Erection Co., Inc.	23,000	580,170	523,000	580,170
Aluminum Distribution Co.	N/A	-0-	N/A	-0-
American Parcel Service, Inc.	-0-	568,641	513,655	744,150
Apple Courier	N/A	-0-	N/A	-0-
Armored Protective Service, Inc.	-0-	200,347	203,998	200,347
Arndt Trucking, Inc.	39,113	327,978	321,762	327,978
Ashford, T.P., Oil Company	45,171	N/A	72,074	N/A
Atlantic Oil Service, Inc.	22,557	18,350	22,557	18,350
Ausley, Cecil T.	-0-	40,658	48,946	40,658
Avery Trucking Co., Inc.	N/A	-0-	N/A	412,729
B & B Lines, Inc.	33,700	88,971	127,856	138,726
B & C Trucking Co., Inc.	72,209	63,247	72,209	63,247
B & L Trucking Co., Inc.	-0-	N/A	333,573	N/A
B & P Trucking	17,427	41,823	17,427	N/A
B & W Grain & Feed Service, Inc.	N/A	405,282	N/A	867,024
B-Freight Lines, Inc.	27,617	122,686	196,103	174,000
Barrett Textile Transport, Inc.	66,766	44,866	370,429	318,071
Beasley Transport, Inc.	-0-	-0-	103,426	106,474
Bell Truck Line	80,740	50,083	158,193	93,528
Best Cartage, Inc.	N/A	11,750	N/A	99,578
Black's Motor Express, Inc.	643,777	-0-	643,777	544,808
Blevins Motor Express	65,658	55,458	71,318	55,458
Bostick, James Richard	-0-	-0-	59,514	48,370
Bowling, I.W., Jr.	12,991	N/A	185,008	N/A
Brantley, James Edward	N/A	2,100	N/A	2,100
Bright Belt Motor Lines, Inc.	192,865	411,899	554,938	505,616
Broglin's Delivery Service	56,405	61,036	56,405	61,036
Brothers, Jack Wayne	N/A	32,319	N/A	N/A
Brown, Charles T., Truck Lines, Inc.	322,007	220,081	322,007	343,769
Brown Oil & Transit Co., Inc.	150,000	167,177	150,000	167,177
Bryson Machinery Movers & Riggers, Inc.	66,620	41,763	73,942	41,763
Bunch Trucking Co., Inc.	N/A	612,845	N/A	806,374
CLP Enterprises	9,572	9,411	168,827	235,296
C.S. Transport, Inc.	42,745	468,369	49,132	741,090
Campbell Trucking, Inc.	68,973	92,075	105,274	115,527
Carey, A.J., Oil Co.	-0-	N/A	-0-	N/A
Carolina Asphalt & Petroleum	-0-	N/A	-0-	N/A
Carolina Haulers, Inc.	134,295	241,530	134,295	241,530
Carolina Movers & Riggers, Inc.	N/A	71,837	N/A	71,837
Carolina Storage Corporation	210,635	260,523	318,740	323,179
Carolina Tanklines, Inc.	236,763	351,447	336,220	351,447
Carolina Taxi & Industrial Transportation	23,205	13,090	23,205	13,090
Carolina Trucking Co., Inc.	N/A	5,091	N/A	5,091
Carpenter Trucking Co., Inc.	456,675	451,809	456,675	513,846
Carr Transport, Inc.	76,064	166,075	76,064	166,075
Caustic Soda Transportation Co.	296,685	273,551	831,641	891,789
Cauthen Gin & Bag Co., Inc.	177,001	213,320	740,328	820,346
Cencar Services, Inc.	339,023	337,047	339,023	337,047
Central Feeds, Inc.	N/A	36,890	N/A	36,890
Charlotte Merchants Delivery, Inc.	48,100	50,000	48,100	50,000
Charlotte Transportation Co., Inc.	281,642	286,117	281,642	286,117
Christie, Craig L.	N/A	44,462	N/A	44,361
Citizen Express, Inc.	N/A	177,844	N/A	538,938
Clay's Transfer Co., Inc.	1,545	26,189	184,104	79,163
Clemmon's Pallett Skid Works	15,046	N/A	15,046	N/A
Coastal Delivery Services	N/A	60,992	N/A	60,992
Commercial Warehouse, Inc.	43,527	47,388	43,527	47,388
Cook & Sons, Inc.	12,645	94,284	200,181	94,284
Cooley Transport, Inc.	76,542	98,000	285,590	389,681
Cotton Growers Warehouses, Inc.	100,507	75,740	159,284	199,318
Cox Trucking Co.	503,681	172,591	748,479	757,295
Culberson Motor Lines, Inc.	105,566	113,771	686,613	704,131
Custom Freight, Inc.	N/A	29,893	N/A	29,893
Dairy Leasing Service, Inc.	N/A	2,270	N/A	2,270
Davis Transportation Co.	N/A	29,362	N/A	29,362
Dedmon Trucking, Inc.	543,574	267,323	850,773	897,405
Dependable Feed Service, Inc.	N/A	N/A	N/A	N/A

N/A — not available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

General Commodities Carriers:	North Carolina Regulated Revenues 1981	North Carolina Regulated Revenues 1982	Total Company Revenues 1981	Total Company Revenues 1982
E&B Corporation	$ N/A	$ 47,229	$ N/A	$ 47,229
East Carolina Cartage Co.	N/A	115,222	N/A	262,605
Eastern Courier Corp.	74,379	364,669	297,514	364,669
Eastern Delivery Service, Inc.	N/A	150,000	N/A	200,000
Economy Transport, Inc.	74,806	81,357	74,806	81,357
Erwin Oil Co., Inc.	-0-	N/A	-0-	N/A
Essick, Ike C.	10,260	20,140	45,304	64,550
Eure, C.H., Trucking, Inc.	4,440	3,823	213,625	150,514
Evans Trucking Co., Inc.	N/A	4,000	N/A	16,053
Everette Motor Lines	-0-	24,403	18,596	24,403
Faircloth, Henry, Transfer, Inc.	145,952	147,189	206,712	158,784
Fanelli Brothers Trucking Co.	72	15	2,458	2,528
Federal Motor Express	370,975	178,927	370,975	178,927
Federated Transport, Inc.	158,483	166,621	158,483	166,621
Foothills Trucking Co., Inc.	-0-	-0-	736,594	701,475
Ford's Contracting Service	3,146	-0-	20,444	N/A
Fowler, M.M., Inc.	332,202	314,312	332,202	314,312
Freeman Cont. Service	N/A	3,733	N/A	3,733
Fuel Oil Service Co., Inc.	381,134	305,571	397,116	305,571
Futrell Chip Co.	34,552	43,023	34,552	43,023
G&S Riggers and Movers	N/A	16,604	N/A	16,604
Gardner-Creech Oil Co., Inc.	N/A	578	N/A	578
Gibson, John Louie	11,463	-0-	11,463	14,798
Gilbert, Jimmy	N/A	980	N/A	980
Gilbert Transfer Co.	-0-	227,169	385,201	322,688
Glover Trucking Corp.	N/A	4,153	N/A	129,133
GOCO Transportation, Inc.	N/A	75,914	N/A	75,914
Godwin Transport Co., Inc.	219,157	153,975	219,157	153,975
Gupton, Donald	N/A	46,000	N/A	46,000
H&S Truck Service of Ahoskie, N.C., Inc.	105,472	101,776	250,680	507,345
Haigler Trucking Co.	N/A	65,856	N/A	602,567
Harrell, R.O., Inc.	222,563	123,811	898,308	739,181
Harris, William L.	43,839	43,531	43,839	48,368
Haulers, Greene, Inc.	N/A	136,717	N/A	136,717
Hester's Transfer	-0-	4,512	70,648	60,047
Hickory Merchant's Delivery Service	118,421	119,623	118,421	119,623
High Point Delivery Co., Inc.	N/A	28,331	N/A	28,331
Hill-Top Transport	190,975	220,534	347,130	251,514
Hobgood Transport, Inc.	7,696	-0-	9,057	40,851
Hodges, Ed F., Inc.	210,693	116,799	210,693	116,799
Holland Transfer Co.	111,216	126,050	N/A	689,637
Hollowell Transportation Co., Inc.	48,470	27,251	48,470	27,251
Holt, H.R.	N/A	154,677	N/A	154,677
Honeycutt, Brooks Transport, Inc.	N/A	77,089	N/A	77,089
Hopkins Trucking, Inc.	8,469	41,791	15,856	41,791
Hopper Bros., Inc.	14,948	12,193	14,948	N/A
Howell S. Motor Freight, Inc.	N/A	273,000	N/A	273,000
Howell Transfer Company	-0-	-0-	180,243	16,582
Huffman, P.T., Transfer, Inc.	659,246	524,162	659,246	524,162
Hughes Trucking	-0-	43,842	53,952	43,842
Humphrey-Hardison Oil Co., Inc.	20,979	11,367	26,491	11,693
Industrial Asphalt Transport, Inc.	N/A	210,935	N/A	372,095
Inman, Gene, Trucking, Inc.	N/A	-0-	N/A	115,715
Ives Transport, Inc.	165,383	137,582	165,383	137,582
Jackson Trading Co., Inc.	-0-	56,678	3,171	56,678
Jackson's Transfer	N/A	5,309	N/A	25,601
James Enterprises, Inc.	N/A	145,470	N/A	218,168
Jenkins, J.W., Inc.	98,356	95,361	98,356	95,361
Johnny's Transfer Co., Inc.	184,330	247,262	521,025	518,370
Johnson, Richard Kim	32,994	50,327	32,994	50,327
Jones, Sam, Contract Carrier	N/A	45,387	N/A	151,292
Jones Transfer, Inc.	N/A	5,640	N/A	263,025
Joyner Trucking Co.	2,811	54,227	171,552	177,206
KBD Services, Inc.	19,186	35,084	62,186	69,552
Kendall Trucking & Grading	N/A	252,160	N/A	279,935
Kindle Pick-Up & Delivery	N/A	153,251	N/A	153,251
King, Neb, Inc.	N/A	4,600	N/A	4,600
LDF, Inc.	494,795	93,346	494,795	491,174
L.V. Carriers, Inc.	-0-	N/A	239,880	N/A
Lawndale Transportation Company	47,152	50,097	47,152	50,097
Leary Bros. Storage Co., Inc.	14,804	6,441	14,804	15,886
Livestock Supply Co., Inc.	-0-	199,532	197,032	199,532
Lockwood Brothers, Inc.	-0-	2,664	366,857	489,985
Loving, T.A., Co.	72,769	70,951	72,769	70,951
Lumbee Trucking Co., Inc.	N/A	316,963	N/A	537,896

N/A — not available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

General Commodities Carriers:	North Carolina Regulated Revenues 1981	1982	Total Company Revenues 1981	1982
McCotter, J.D., Sr.	$ 11.830	$ 5.939	$ 39.926	$ 27.769
McKeithan, Julian B.	8.091	7.330	8.091	7.330
McLeod Trucking & Rigging Co., Inc.	38.497	39.196	252.944	286.313
McKenney, James Garland	-0-	3.378	5.714	3.378
M & H Trucking Co., Inc.	N/A	101.167	N/A	101.167
MTL Courier Service	N/A	17.850	N/A	17.850
Mangum, C.C., Inc.	43.397	31.468	43.397	31.468
Martin Transport Co., Inc.	18.826	11.298	18.826	11.298
Martin, W.M., Co., Inc.	6.263	3.408	6.263	3.408
Martin, Roger E.	-0-	73.528	N/A	806.361
Media Express, Inc.	153.575	475.777	638.685	648.220
Metro Transport Co., Inc.	97.264	332.980	160.841	405.997
Moore, J.W., Inc.	171.148	31.659	171.148	165.311
Morgan Trucking Co.	N/A	-0-	N/A	196.133
Midstate Delivery Service, Inc.	800.349	887.296	917.995	930.930
Midstate Service Co., Inc.	45.349	39.821	45.349	39.821
Mills Trucking Co	N/A	53.684	N/A	53.684
Mini-Haul, Inc.	134.720	153.416	134.720	153.416
Mitchell, Cyrus A., Jr.	N/A	421	N/A	421
Moore's Express	N/A	78.313	N/A	83.653
Morven Freight Lines, Inc.	-0-	-0-	272.488	225.998
Mullis, Brandon L., Inc.	11.029	8.047	249.570	201.168
N.C. Transport, Inc.	272.207	129.863	530.160	251.633
Neuse Transport, Inc.	N/A	85.486	N/A	85.486
Newsom Transport, Inc.	49.476	38.376	121.175	115.940
Nichols, A.T. Trucking Co., Inc.	N/A	325.970	N/A	325.970
Nordan Transportation Co., Inc.	52.718	19.278	52.718	19.278
Nordis, Elwood, Inc.	-0-	78.865	78.864	78.865
Northside Storage Co., Inc.	N/A	-0-	N/A	13.017
Ormond, W.W., Transfer Co., Inc.	-0-	177.208	188.474	177.208
PDC Trucking Company	1.744	316.424	14.162	447.150
Package Delivery Service of Durham, N.C.	46.417	34.936	46.417	34.936
Parker, Donald C.	47.060	36.261	47.060	36.261
Parsons, G.G., Trucking Co.	N/A	75.600	N/A	75.600
Petroleum Transport Co., Inc.	298.081	284.755	298.081	284.755
Perry's Transfer Co.	47.585	38.560	47.585	38.560
Pick-Up & Delivery Service	212.268	342.784	212.268	342.784
Piedmont Delivery Service, Inc.	N/A	165.333	N/A	165.333
Piedmont Fuel & Distributing Co., Inc.	200.185	281.109	200.185	281.109
Piedmont Paper Stock Co., Inc.	6.920	28.870	6.920	28.870
Public Transportation Corp.	448.461	433.080	448.461	433.080
Randleman's City Pick Up & Delivery Service, Inc.	-0-	468	10.014	468
Raleigh Delivery Service, Inc.	329.155	368.198	329.155	368.198
Rapid Transit	N/A	15.109	N/A	15.109
Rawley, James W.	N/A	31.406	N/A	50.241
Raymac Supply Co.	N/A	6.021	N/A	138.731
Regional Storage & Transport, Inc.	194.311	213.470	669.170	714.277
Re-Jim, Inc.	-0-	138.393	186.976	138.393
Repossession Transporters	N/A	408	N/A	42.869
Riggan, George E.	4.965	15.439	4.965	15.439
Riverside Transportation Co., Inc.	N/A	40.012	N/A	742.710
Roberts, C.C., Concrete Construction Co., Inc.	103.999	88.716	176.581	169.416
Rogers Transportation Company, Inc.	729.277	799.825	729.277	799.825
Roney, W.C., Trucking Co., Inc.	62.714	39.759	62.714	39.759
Rowan Freight Co., Inc.	N/A	525.220	N/A	623.298
S&R Wrecker Service, Inc.	N/A	131.816	N/A	467.790
S&W Motor Lines, Inc.	N/A	17.424	N/A	17.424
S.T.G. Transport, Inc.	319.374	282.931	319.374	283.115
Sanders, Ervin	N/A	37.955	N/A	37.955
Santee Cement Carriers, Inc.	-0-	-0-	798.879	821.417
Self Scrap & Metal Company	4.357	5.344	4.357	5.334
Sharp Transport, Inc.	N/A	113.863	N/A	113.863
Shirley, T.W., Smithfield Motor Co.	N/A	1.660	N/A	1.660
Short's Pick Up & Delivery, Inc.	N/A	29.826	N/A	29.826
Smith, Agri-Supply	N/A	49.032	N/A	49.032
Smith, Alvin Alexander	-0-	N/A	314.180	N/A
South Atlantic Bonded Warehouse Corp.	486.318	472.748	600.808	528.655
South Freight Service, Inc.	N/A	239.920	N/A	239.920
Southern Freight Service, Inc.	73.066	80.173	73.066	80.173
Southern Spindle & Flyer Company	30.770	19.505	144.347	76.972
Stainback Trucking, Inc.	346.334	412.478	346.334	412.478

N/A — not available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1981 AND 1982

General Commodities Carriers:	North Carolina Regulated Revenues 1981	North Carolina Regulated Revenues 1982	Total Company Revenues 1981	Total Company Revenues 1982
State Trucking Company	$ N/A	$ 418,247	$ N/A	$ 418,247
Stegall Milling Co., Inc.	57,370	88,147	57,370	88,147
Stiller, James Richard	N/A	24,312	N/A	24,312
Sugar Transport, Inc.	N/A	-0-	N/A	(3606)
Super Trans, Inc.	346,461	N/A	346,461	N/A
Swain, Bob, Inc.	N/A	-0-	N/A	-0-
Swann, A.D., Trucking Co., Inc.	39,898	754,284	941,762	754,284
TLC Express, Inc.	N/A	7,600	N/A	61,214
Tallant Transfer, Inc.	N/A	-0-	N/A	587,388
Tappan Carriers, Inc.	631,402	570,917	631,402	570,917
Tarheel Industries, Inc.	N/A	535,562	N/A	535,562
Tarheel Transport, Inc.	471,716	447,959	471,716	447,959
Thomas, Jimmy E., Inc.	N/A	38,945	N/A	38,945
Thompson, David, Trucking Co.	N/A	21,147	N/A	285,775
Tilton's Delivery Service	-0-	76,100	96,682	76,100
Timber Trucking Company, Inc.	76,906	128,506	279,248	322,881
Tobacco Growers Services, Inc.	4,090	N/A	4,090	N/A
Tol-Co, Inc.	N/A	35,630	N/A	117,993
Triad Transport, Inc.	51,336	47,859	51,336	47,859
Triangle Express	30,020	31,835	30,020	31,835
Tri-County Transport, Inc.	N/A	177,009	N/A	177,009
Turner Transfer	N/A	51,133	N/A	610,560
Tuten Transport Co.	-0-	29,500	75,000	29,500
Tyler, James L.	49,612	43,887	49,612	43,887
2800 Corporation	234,720	416,176	340,535	425,512
Valley Transfer, Inc.	N/A	421,509	N/A	521,976
Waccamaw Transport, Inc.	271,832	243,888	271,832	243,888
Waco Drivers	N/A	N/A	N/A	N/A
Walker Transfer, Inc.	60,080	42,085	N/A	315,410
Wall Trucking Company, Inc.	72,141	91,273	827,585	893,309
Watson Transportation Co.	13,536	11,226	13,536	11,226
Weaver, Edward H. Trucking Co.	71,831	81,278	71,831	81,278
White Transfer & Storage Co., Inc.	N/A	118,966	N/A	118,966
Wicker Services, Inc.	762,054	699,749	762,054	699,749
Wilco Transport Co., Inc.	522,248	522,938	522,248	522,938
Willetts Brothers Trucking	10,489	13,302	21,103	13,302
Williams, Melvin Douglas	-0-	51,378	53,943	51,378
Wilmington Express, Inc.	47,596	N/A	460,738	N/A
Wright Motor Lines, Inc.	67,922	270,359	366,817	313,414
Young Transfer	N/A	465,920	N/A	650,940
Total	$ 21,501,085	$ 33,389,458	$ 39,332,600	$ 54,687,068
GRAND TOTALS (Class III)	$ 26,651,977	$ 49,193,648	$ 72,748,539	$ 90,122,181
Total No. of General Commodities Moving Companies included in this data	167	240		
Total No. of General Commodities Moving Companies Authorized to operate	260	260		
Grand Total of all Companies included in Class III data	345	467		
Grand Total of all Class III Companies authorized to operate	506	509		

N/A — not available

FIGURE NO. 9-4

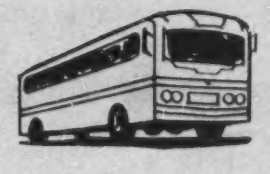
MOTOR FREIGHT CARRIERS — CLASS I AND II
SUMMARY OF SELECTED DATA — INCOME, EXPENSES AND STATISTICAL ITEMS
FOR THE CALENDAR YEARS 1981 AND 1982

CLASS I CARRIERS	1981	1982	% Change More (Less) 1981-1982
Number of Companies Regulated	91	95	4.3
Number Included in this Data	91	95	4.3
North Carolina — Regulated Revenues	$ 158,958	$ 150,902	(5.1)
Operating Data (Systemwide):			
Operating Revenues	$ 9,423,970	$ 9,831,969	4.3
Operating Expenses	$ 8,744,744	$ 9,276,579	6.1
Net Operating Revenue	$ 679,226	$ 555,390	(18.2)
Operating Ratio (Percent)	92.7	92.7	1.6
Statistics (N.C. Data Only):			
Average No. of Employees (actual)	15,957	16,251	1.8
Total Salaries Paid ($-000's)	$ 446,149	$ 616,765	38.2

CLASS II CARRIERS			
Number of Companies Regulated	98	108	10.2
Number Included in this Data	94	104	10.6
Operating Revenues (N.C. Portion):	$ 43,421	$ 51,758	19.2
Operating Data (Systemwide):			
Operating Revenues	$ 215,585	$ 232,247	7.7
Operating Expenses	$ 196,753	$ 220,189	11.9
Net Operating Revenue	$ 11,327	$ 13,039	15.1
Operating Ratio (Percent)	91.3	94.8	3.8
Statistics (N.C. Data Only):			
Average No. of Employees (Actual)	2,848	3,614	26.9
Total Salaries Paid ($-000's)	$ 43,910	$ 52,848	20.3

GRAND TOTALS CLASS I & II			
Number of Companies Regulated	189	203	7.4
Number Included in this Data	185	199	7.6
Operating Revenues (N.C. Portion):	$ 202,379	$ 202,660	.1
Operating Data (Systemwide):			
Operating Revenues	$ 9,639,555	$ 10,064,216	4.4
Operating Expenses	$ 8,941,497	$ 9,496,768	6.2
Net Operating Revenue	$ 690,553	$ 568,429	(17.6)
Operating Ratio (Percent)	92.8	94.4	1.7
Statistics (N.C. Data Only):			
Average No. of Employees (Actual)	18,805	19,865	5.6
Total Salaries Paid ($-000's)	$ 490,059	$ 669,613	36.6

The number of carriers in each classification changes each year because of the companies' growth in revenue and the changes every few years in the level of revenues required to qualify for the Class I and II classifications. Therefore, the use of the data for comparative purposes must be used with discretion.



X. The Transportation Industry - Motor Passenger Carriers

A. GENERAL COMMENTS

1. Regulated Privately Owned Sector

For the purpose of filing annual reports both ICC and the North Carolina Utilities Commission authorized the following changes in classification, effective January 1, 1980, for the motor passenger carriers:

Classification	Old	New
Class I	$1,000,000 or more annual operating revenue	$3,000,000 or more annual operating revenue
Class II	$200,000 to $1,000,000 annual operating revenue	$500,000 to $3,000,000 annual operating revenue
Class III	Under $200,000 annual operating revenue	Under $500,000 annual operating revenue

At December 31, 1981, there were 87 motor carriers of passengers operating under the regulation of the North Carolina Utilities Commission. See Figure No. 10-1 for a list of the companies and their scope of operations. Three (3) of these carriers are franchised by the governing authorities of the municipalities in which they operate. The Commission's jurisdiction over these three (3) carriers is limited to the approval or disapproval of fares and to the annual filing of reports of operations. The remaining eighty-four (84) carriers are fully regulated by the Commission. However, forty-nine (49) of these are transportation brokers and four (4) are motor boat common carriers. There is no operating data for these fifty-three (53) carriers involved in this report. Operating data is included for the remaining thirty-two (32) carriers.

At December 31, 1982, there were 87 motor passenger carriers regulated by the North Carolina Utilities Commission. There are 84 carriers that are fully regulated by the Commission. Fifty-three (53) of these carriers are made up of forty-nine (49) transportation brokers and four (4) motor boat common carriers. Operating data is included for the remaining 33 carriers. See Figure Nos. 10-2, 3, and 4.

Transportation brokers, as herein used, means any person not a bonafide employee or agent of a motor carrier who engages in the business of selling or offering for sale any transportation of passengers by motor carrier for compensation either directly or indirectly. A transportation broker does not own or operate the vehicles used to transport passengers to whom he sells or arranges for this type of service.

2. Nonregulated Publicly Owned Sector

The North Carolina Utilities Commission has no jurisdiction over most of the passenger transit systems serving the intracity traffic and the urban and rural areas. However, these systems are providing transportation to large numbers of intracity passengers as shown by the following ridership figures:

Unregulated Intracity Ridership

Year	Passengers*
1981	22,866,452
1982	22,553,958

*Source: Public Transportation Division — North Carolina Department of Public Transportation — Systems included in the data are Asheville, Chapel Hill, Charlotte, Fayetteville, Gastonia, Greenville, High Point, Raleigh, Salisbury, Wilmington, Wilson, and Winston-Salem. The bus systems in Durham and Greensboro are regulated and owned by Duke Power Company. The ridership for these systems is omitted from this data.

The public sector is currently providing the lion's share of the intracity passenger transportation in North Carolina, and the trend is to an even greater share. It becomes imperative that this sector must be included when evaluating or studying the needs or adequacy of the North Carolina intrastate passenger transportation.

Since July 1, 1974, there has been a Public Transportation Division (PTD) within the Department of Transportation. The PTD administers several federal grant programs and a state grant program as well as fostering the development of the public transportation in North Carolina. For further information on this agency's activities the N.C. Department of Transportation, P.O. Box 25201, Raleigh, North Carolina 27602, should be contacted.

Bus Deregulation

The Bus Regulatory Reform Act of 1982 granted intercity bus companies wide-ranging freedoms to adjust their services and rates as they see fit. One possible by-product of the Act may be the loss of service to numerous small communities across the State. Bus transportation is usually the last form of public transportation available to these communities, hence if they lose bus service they are normally left isolated from the public transportation network. Furthermore, the demographic profiles of small communities show a much higher percentage of elderly than the State average. These are the people who need bus service the most, and as time goes by their need for service will become even greater. The provisions of the Prior Notice Amendment (PNA), H.R. 4067 and S. 1916 focuses on finding either replacement service or a locally generated subsidy to retain service by the incumbent carrier. The PNA would reassert State jurisdiction over bus schedules when companies drop their levels of service to less than two round trips per weekday on particular routes. This would prevent companies from scheduling service in such a way as to discourage ridership. By returning jurisdiction over scheduling to the states, bus companies can be compelled to offer reasonably convenient service.

B. INTERCITY MOTOR PASSENGER CARRIERS

Financial and statistical data is presented for the twenty-eight (28) regulated intercity carriers having separate operations during 1981 and 1982. The intercity carriers have franchised and operating rights to serve two or more points and are further classed and operate as common or contract carriers over either interstate or intrastate routes.

The following table shows the breakdown of these classifications as of December 31, 1981 and 1982:

Classification	1981 Number of Carriers	1982 Number of Carriers
Class I	4	4
Class II	8	8
Class III	16	16
	28	28
Type Carrier		
Common	24	24
Contract	4	4
	28	28
Scope		
Interstate	13	13
Intrastate	15	15
	28	28

C. FARE INCREASES AUTHORIZED — INTERCITY

The following intercity motor passenger carriers were authorized passenger fare increases in 1981 and 1982:

1981

a. Carolina Coach Co., Inc., Greyhound Lines, Inc., Piedmont Coach Lines, Inc., Seashore Transportation Co., Southern Coach Co., and Trailways Southeastern Lines, Inc. (Docket No. B-105, Sub 39), 25.90%

1982

a. Trailways, Inc. — Trailways Southeastern Lines, Inc. (Docket No. B-69, Sub 133), 22.48%
b. Greyhound Lines, Inc. (Docket No. B-7, Sub 97) 22.22%
c. Seashore Transportation Co. (Docket No. B-79, Sub 22) 22.99%
d. Carolina Coach Co., Inc. (Docket No. B-15, Sub 186), granted only 15.63% of 20%. Appealed to ICC and full 20% was granted.

D. STATISTICAL SUMMARY DATA — INTERCITY

In 1981 the four Class I intercity motor passenger carriers accounted for 86.3% of the total gross operating revenues. In 1982 they accounted for 72.0% of the gross operating revenues. For their North Carolina operations the 1981 carriers experienced an 8% increase in operating revenues compared to 1980. However, in 1982 there was a .7% decrease in North Carolina operating revenues.

Systemwide operations for the Class I carriers in 1981 showed a 7.4% increase in operating revenues compared to 1980 and a 3.5% decrease in operating revenues in 1982. There was a 7.5% increase in operating expenses in 1981 and a 1.3% increase in 1982. The operating ratio in 1981 was 94.7% compared to 99.5% in 1982.

E. INTRACITY MOTOR PASSENGER CARRIERS — COMMENTS

During 1981 there were twelve (12) intracity carriers operating under the jurisdiction of the North Carolina Utilities Commission. There were only eight (8) intracity carriers that filed operating data for the year 1982. The following three intracity carriers filed an annual report for 1982. However, they did not contain any operating data. The carriers are City Coach Co., Inc., Gaston Lincoln Transit, Inc., and Gastonia-Transit, Inc. These companies merged with America Charters, Ltd. in April 1983 (Docket No. B-366). Charlotte City Coach has been leased to Charlotte Transit System for the years 1981 and 1982; therefore, no separate operating data is shown. The intracity carriers are grouped as follows regarding size, type, and scope of operations.

Classification	1981 Number of Carriers	1982 Number of Carriers
Class I	0	0
Class II	3	3
Class III	9	5
Total	12	8
Type		
Common	10	6
Contract	2	2
	12	8
Scope		
Interstate	2	2
Intrastate	10	6
	12	8

F. FARE INCREASES AUTHORIZED — INTRACITY

The following intracity motor passenger carriers were authorized charter fare increases in 1981. No fare increases were authorized in 1982.

1981

a. Duke Power Co., Durham (Docket No. B-209, Sub 23), 20%
b. Duke Power Co., Greensboro (Docket No. B-209, Sub 24), 20%

G. STATISTICAL SUMMARY DATA — INTRACITY

Figure No. 10-4 shows a summary of selected income items and operational statistics for the calendar years 1981 and 1982 for the intracity motor passenger carriers. There are no Class I carriers presently in this group, and the smaller carriers did not report sufficient information to be of any significant value for comparison.

FIGURE NO. 10-1

MOTOR PASSENGER CARRIERS FRANCHISED TO OPERATE IN NORTH CAROLINA
AS OF DECEMBER 31, 1981 and 1982

	1981 Scope of Operations					1982 Scope of Operations				
Class I Carriers	Inter-State	Intra-State	Inter-City	Intra-City	Note Legend	Inter-State	Intra-State	Inter-City	Intra-City	Note Legend
1. Carolina Coach Co.	X	X	X			X	X	X		
2. Greyhound Lines, Inc.	X	X	X			X	X	X		
3. Seashore Transportation Co.	X	X	X			X	X	X		
4. Trailways Southeastern Lines, Inc.	X	X	X		(B)	X	X	X		(B)
Total	4	4	4			4	4	4		
Class II Carriers										
1. American Charters Ltd.		X		X			X		X	
2. American Coach Lines	X	X	X			X	X	X		
3. Asheboro Coach Co.	X	X	X	X	(D)	X	X	X	X	(D)
4. D & M Bus. Co	X	X	X			X	X	X		
5. Duke Power — Greensboro		X		X	(A)		X		X	(A)
6. Duke Power—Durham		X		X	(A)		X		X	(A)
7. Gaston-Lincoln Transit, Inc.	X	X	X							
8. Piedmont Coach Lines	X	X	X			X	X	X		
9. Southern Coach Co.	X	X	X			X	X	X		
10. Wilson Bus Lines		X	X	X	(D)		X	X	X	(D)
11. Young's Transportation						X	X	X	X	(D)
Total	6	10	7	5		6	10	7	6	
Class III Carriers										
1. Asheville Carriage Service							X			
2. Blue Ridge Lines		X	X				X	X		
3. Carolina Transit Lines of Charlotte		X	X	X	(C)		X	X	X	(C)
4. Central Bus Lines		X	X				X	X		
5. Charlotte City Coach Lines		X		X	(A)		X		X	(A)
6. City Coach Company		X	X	X						
7. Conover-Newton Bus Lines		X	X							
8. Dillahunt, John T.		X	X				X	X		
9. Emma Bus Lines		X	X				X	X		
10. Gaston Transit Co., Inc.		X	X	X	(C)					
11. Hacaronee Bus Service							X	X		
12. Houston Transit Co., Inc.			X	X			X	X		
13. Kannapolis Transit Co.	X	X	X	X	(C)	X	X	X	X	(C)
14. Lake Gaston Bus Service							X	X		
15. Moore Brothers							X	X		
16. Nooney Bus Lines, Inc.		X	X				X	X		
17. Rockingham-Hamlet Bus Lines		X	X	X	(C)		X	X	X	(C)
18. Rouse Transportation Co.		X	X							
19. Safety Transit Co.		X		X			X	X		
20. Silver Fox Lines		X	X				X	X		
21. Statesville Motor Coach Co.	X	X	X	X	(C)	X	X	X	X	(C)
22. Suburban Bus Lines		X	X	X			X	X	X	
23. Triad Motor Lines		X	X				X	X		
24. Virginia Dare Transportation	X	X	X	X	(D)	X	X	X	X	(D)
Total	3	19	18	11		3	20	18	7	
Motor Boat Common Carriers										
1. Bailey, Josiah W. Jr.		X	X		(E)		X	X		(E)
2. Carteret Boat Tours		X	X				X	X		
3. Morris, Donza L.		X	X				X	X		
4. Nelson, Ambrose D.		X	X				X	X		
Total		4	4				4	4		

FIGURE NO. 10-1 (Continued)

MOTOR PASSENGER CARRIERS FRANCHISED TO OPERATE IN NORTH CAROLINA
AS OF DECEMBER 31, 1981 and 1982

Transportation Brokers	1981 Scope of Operations					1982 Scope of Operations				
	Inter-State	Intra-State	Inter-City	Intra-City	Note Legend	Inter-State	Intra-State	Inter-City	Intra-City	Note Legend
1. Albertson, Charles W.		X	X				X	X		
2. Activity Designers		X	X				X	X		
3. Big "C" Enterprises		X	X				X	X		
4. Brantley Seashore Coach Tours		X	X				X	X		
5. Bullock Tours		X	X				X	X		
6. Cardwell Tours		X	X				X	X		
7. Carolina Tours		X	X				X	X		
8. Carosel of Raleigh		X	X				X	X		
9. Charlotte Visitours, Inc.		X	X				X	X		
10. Circle Tours, Inc.		X	X				X	X		
11. Coastal Host		X	X				X	X		
12. Colonial Ventures, Inc.		X	X				X	X		
13. Country Cottage Tours		X	X				X	X		
14. Cowan Tours, Inc.		X	X				X	X		
15. Custom Travel Services, Inc.		X	X				X	X		
16. Davis Tours, Inc.		X	X				X	X		
17. E & T Tours, Inc.		X	X				X	X		
18. Edwards, Patricia T.		X	X				X	X		
19. Ginger Thacker Tours		X	X				X	X		
20. Gough Tours		X	X				X	X		
21. Green, Conley F., Sr.		X	X				X	X		
22. Hazel Kay Tours		X	X				X	X		
23. Heritage Tours		X	X				X	X		
24. Holiday Tours, Inc.		X	X				X	X		
25. Happy Daze Tours		X	X				X	X		
26. International Tourist Group		X	X				X	X		
27. Introducing Asheville		X	X				X	X		
28. Jaunts & Journeys, Inc.		X	X				X	X		
29. Johnston Lion's Club		X	X				X	X		
30. Longs Travel Agency		X	X				X	X		
31. Manning Tours, Inc.		X	X				X	X		
32. Moore Tours, Inc.		X	X				X	X		
33. New Bern Guided Tours		X	X				X	X		
34. Nancy Beamer Tours		X	X				X	X		
35. North Carolina First Tours		X	X				X	X		
36. Northeastern Travel Services		X	X				X	X		
37. North State Heritage Tours, Inc.		X	X				X	X		
38. P & B Travels		X	X				X	X		
39. Per Flo Travel Agency		X	X				X	X		
40. Piedmont Tours		X	X				X	X		
41. Pleasants Travel Service		X	X				X	X		
42. Shopping Spree — A Division of Topics		X	X				X	X		
43. Smokey Mountain Highlands Tours, Inc.		X	X				X	X		
44. Tours of the Lower Cape Fear		X	X				X	X		
45. Transportation Consulting Services		X	X				X	X		
46. Travel Tours, Inc.		X	X				X	X		
47. Treasure Circuit		X	X				X	X		
48. Trek maker		X	X				X	X		
49. Western Carolina Tours		X	X				X	X		
Total		49	49				49	49		
Grand Total — Companies regulated & listed	13	86	82	16		13	87	82	13	
Total No. of Companies — 1981-87; 1982-87										
Total No. of Companies filing annual reports 1981-38; 1982-42										

Footnotes

(A) Franchised by municipalities, fares only regulated by the N.C. Utilities Commission.
(B) Name changed from Continental Southeastern Lines, Inc.
(C) Has both intercity and intracity operations, but for statistical purposes will be treated as an intracity carrier since most operating revenue is derived from intracity operations.
(D) Has both intercity and intracity operations, but for statistical purposes will be treated as an intercity carrier since most operating revenue is derived from intercity operations.
(E) Does not file annual report of operations with N.C. Utilities Commission.

FIGURE NO. 10-2

MOTOR PASSENGER CARRIERS — INTERCITY — CLASSES I & II
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1981 & 1982
(North Carolina and Systemwide Data Noted)
(Figures in 000's except where noted)

		Carolina Coach Co.	Greyhound Lines, Inc.	Class I Seashore Transportation Co.	Trailways Southeastern Lines, Inc.	Total Class I	American Coach Lines	Asheboro Coach Co.	D&M Bus Co.	Piedmont Coach Lines, Inc.	Class II Southern Coach Co.	Wilson Bus. Co. Inc.	Young's Transportation	America Charters Ltd.	Total Class II
Operating Revenues (N.C. Portion)	1981	$ 13,468	$ 9,248	$ 3,036	$ 3,135	$ 28,887	$ 61	$ 493	$ N/A	$ 650	$ 506	$ 1,205	$ N/A	$ N/A	$ 2,918
	1982	$ 13,205	$ 9,039	$ 3,330	$ 3,101	$ 28,675	$ 55	$ 1,819	$ 172	$ 1,004	$ 513	$ 1,198	$ 2,073	$ 535	$ 7,369
Income Items (Systemwide)															
Operating Revenues	1981	$ 27,395	$ 882,868	$ 3,411	$ 19,386	$ 933,060	$ 1,400	$ 863	$ N/A	$ 1,152	$ 1,044	$ 1,205	$ N/A	$ N/A	$ 5,664
	1982	$ 27,451	$ 850,549	$ 3,731	$ 18,231	$ 899,962	$ 1,593	$ 1,819	$ 519	$ 1,594	$ 1,041	$ 1,198	$ 2,073	$ 633	$ 10,470
Operating Expenses	1981	$ 22,856	$ 838,406	$ 3,203	$ 19,260	$ 883,725	$ 1,258	$ 767	$ N/A	$ 899	$ 964	$ 1,086	$ N/A	$ N/A	$ 4,974
	1982	$ 22,708	$ 851,572	$ 3,564	$ 17,259	$ 895,103	$ 1,492	$ 1,552	$ 484	$ 1,282	$ 1,037	$ 1,119	$ 1,915	$ 535	$ 9,416
Net Operating Revenues	1981	$ 4,538	$ 44,462	$ 208	$ 126	$ 49,335	$ 142	$ 96	$ N/A	$ 253	$ 80	$ 119	$ N/A	$ N/A	$ 690
	1982	$ 4,743	$ (1,023)	$ 167	$ 972	$ 4,859	$ 101	$ 267	$ 35	$ 312	$ 4	$ 79	$ 158	$ 98	$ 1,054
Operating Ratio (Percent)	1981	83.4%	94.9%	93.9%	99.4%	94.7%	89.9%	82.4%	N/A	78.0%	92.3%	89.3%	N/A	N/A	87.8%
	1982	82.7%	100.0%	95.5%	94.6%	99.5%	93.7%	85.3%	93.3%	80.4%	99.6%	93.4%	92.4%	84.5%	89.9%
Other Income or (Deductions) — Net	1981	$ 10	$ 24,108	$ 56	$ (1,882)	$ 22,292	$ (48)	$ (11)	$ N/A	$ (75)	$ 19	$ (64)	$ N/A	$ N/A	$ (179)
	1982	$ 14	$ 16,248	$ 42	$ (1,802)	$ 14,502	$ (39)	$ (22)	$ (11)	$ (87)	$ 53	$ (43)	$ (76)	$ (38)	$ (263)
Income Taxes	1981	$ 2,020	$ 21,796	$ 87	$ 776	$ 24,679	$ 2	$ 5	$ N/A	$ 14	$ 2	$ 2	$ N/A	$ N/A	$ 25
	1982	$ 2,081	$ (4,050)	$ 28	$ (371)	$ (2,312)	$ -0-	$ 68	$ 1	$ 40	$ 2	$ 2	$ 3	$ 1	$ 117
Net Income after Income Taxes	1981	$ 2,528	$ 46,774	$ 177	$ (979)	$ 48,500	$ 92	$ 80	$ N/A	$ 164	$ 97	$ 53	$ N/A	$ N/A	$ 486
	1982	$ 2,676	$ 19,276	$ 181	$ (459)	$ 21,674	$ 62	$ 177	$ 23	$ 185	$ 55	$ 34	$ 79	$ 59	$ 674
Statistics (N.C. Only)															
Total bus miles operated	1981	6,682	6,283	1,951	4,777	19,693	28	281	N/A	318	282	806	N/A	N/A	1,715
	1982	5,544	6,237	2,339	4,517	18,637	760	638	351	419	294	665	472	326	3,925
Length of bus route — miles — one way (actual)	1981	2,103	2,169	673	3,141	8,086	78	26	N/A	198	272	N/A	N/A	N/A	574
	1982	2,103	2,169	583	2,957	7,812	777	26	61	253	272	N/A	75	N/A	1,464
Total gallons gasoline purchased or used	1981	-0-	-0-	7	-0-	7	-0-	8	N/A	-0-	18	10	N/A	N/A	36
	1982	-0-	-0-	3	-0-	3	-0-	6	-0-	-0-	10	9	31	-0-	56
Total gallons diesel fuel purchased or used	1981	730	1,246	411	911	3,298	-0-	40	N/A	74	81	134	N/A	N/A	329
	1982	737	1,212	380	893	3,222	118	138	60	N/A	65	99	56	90	837
No. of tickets sold which originated in N.C. (Excludes charter & school passengers)	1981	668	257	328	N/A	1,253	665	4	N/A	N/A	268	N/A	N/A	N/A	272
	1982	654	231	316	N/A	1,201	N/A	2	10	N/A	156	N/A	-0-	N/A	168
Revenue for tickets originating in N.C. (Excludes charter & school passengers)	1981	$ 8,329	$ 7,035	$ 1,953	$ 2,152	$ 19,469	$ 14	$ 10	$ N/A	$ 11	$ 1	$ N/A	$ N/A	$ N/A	$ 36
	1982	$ 7,886	$ 6,767	$ 2,904	$ 2,237	$ 19,794	$ 25	$ 6	$ N/A	$ N/A	$ 1,586	$ N/A	$ -0-	$ N/A	$ 1,617
Average revenue per ticket originating in N.C. (Excludes charter & school passengers)	1981	$ 12.46	$ 27.36	$ 5.95	$ N/A	$ 15.26	$ 21.00	$ 2.25	$ N/A	$ N/A	$ 6.21	$ N/A	$ N/A	$ N/A	$ 29.46
	1982	$ 12.05	$ 29.20	$ 9.19	$ N/A	$ 16.81	$ 15.00	$ 2.85	$ N/A	$ N/A	$ 10.17	$ N/A	$ -0-	$ N/A	$ 28.02
Other revenue originating in N.C. by charter & express	1981	$ 5,139	$ 2,212	$ 683	$ 982	$ 9,016	$ 13	$ 59	$ N/A	$ 1,141	$ 1,043	$ N/A	$ N/A	$ N/A	$ 2,256
	1982	$ 5,318	$ 2,271	$ 2,010	$ 864	$ 10,463	$ 30	$ 11	$ 157	$ N/A	$ 1,039	$ -0-	$ 66	$ N/A	$ 1,303
Statistics (Systemwide)															
No. revenue passengers carried	1981	2,407	60,246	595	1,367	64,615	665	29	N/A	N/A	59	N/A	N/A	N/A	753
	1982	2,314	57,904	N/A	1,273	61,491	1,693	62	55	N/A	60	N/A	257	N/A	2,127
Avg. Fare per passenger carried (actual)	1981	$ 8.74	$ 13.09	$ N/A	$ 9.35	$ 10.40	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A
	1982	$ 8.96	$ 12.86	$ N/A	$ 9.37	$ 10.40	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A
Avg. No. of buses owned (actual)	1981	70	4,285	42	137	4,534	17	12	N/A	28	17	27	N/A	N/A	101
	1982	251	3,276	46	133	3,706	14	30	11	30	18	29	60	22	214
Avg. No. of buses operated (actual)	1981	170	4,082	28	137	4,417	10	2	N/A	12	10	27	N/A	N/A	61
	1982	67	3,057	31	133	3,288	12	5	5	12	10	N/A	15	12	71
Avg. No. of employees (actual)	1981	357	387	92	302	1,138	33	30	N/A	15	16	44	N/A	N/A	138
	1982	328	515	95	253	1,191	35	43	23	20	16	56	159	19	370

N/A — Not Available

FIGURE NO. 10-3

MOTOR PASSENGER CARRIERS — INTERCITY — CLASS III
Summary of Total Revenues and Expenses
For the Calendar Years 1981 and 1982
(Figures in 000's)

Company	Operating Revenues 1981	Operating Revenues 1982	Operating Expenses 1981	Operating Expenses 1982	Operating Ratio 1981	Operating Ratio 1982
Asheville Carriage Co.	$ N/R	$1,986	$ N/R	$ 24	$ N/R	$ —
Blue Ridge Lines, Inc.	365	488	372	408	102.0	83.7
Central Bus Lines of N.C.	54	37	51	34	94.4	93.8
Emma Bus Lines, Inc.	199	176	186	175	93.5	99.8
Hacaronee Bus Service	N/R	56	N/R	49	N/R	87.5
Houston Transport Co., Inc.	194	245	190	233	97.9	98.0
Lake Gaston Bus Service	N/R	14	N/R	15	N/R	107.1
Moore Brothers Transportation Co.	N/R	135	N/R	99	N/R	73.5
Nooney Bus Lines, Inc.	51	58	53	60	104.0	103.4
Piedmont Tours & Charter[1]	N/A	N/A	N/A	N/A	N/A	N/A
Rouse Transportation Co.	193	N/R	203	N/R	105.1	N/R
Silver Fox Lines	28	1	-0-	2	-0-	200.0
Triad Motor Lines, Inc.	365	356	359	365	98.4	102.5
Travelines of Carolina[2]	-0-	N/A	6	N/A	-0-	N/A
Virginia Dare Transportation Co., Inc.	236	245	262	279	111.01	113.9
Total	1,685	3,797	1,682	1,743	99.7%	46%

Total 1981 - 15 companies
1982 - 14 companies

N/A - Not Available.
N/R-Report not submitted.

[1]Piedmont Tours & Charter filed annual reports for 1981 and 1982 indicating there were no operations in either year.
[2]Travelines of Carolina filed an annual report for 1982 indicating there were no operations for that year.

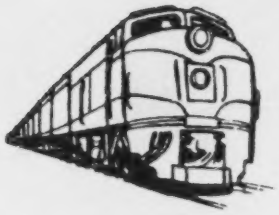
FIGURE NO. 10-4

MOTOR PASSENGER CARRIERS — INTRACITY — CLASSES II & III[1]
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1981 & 1982
(North Carolina and Systemwide Data Noted)
(Figures in 000's except where noted)

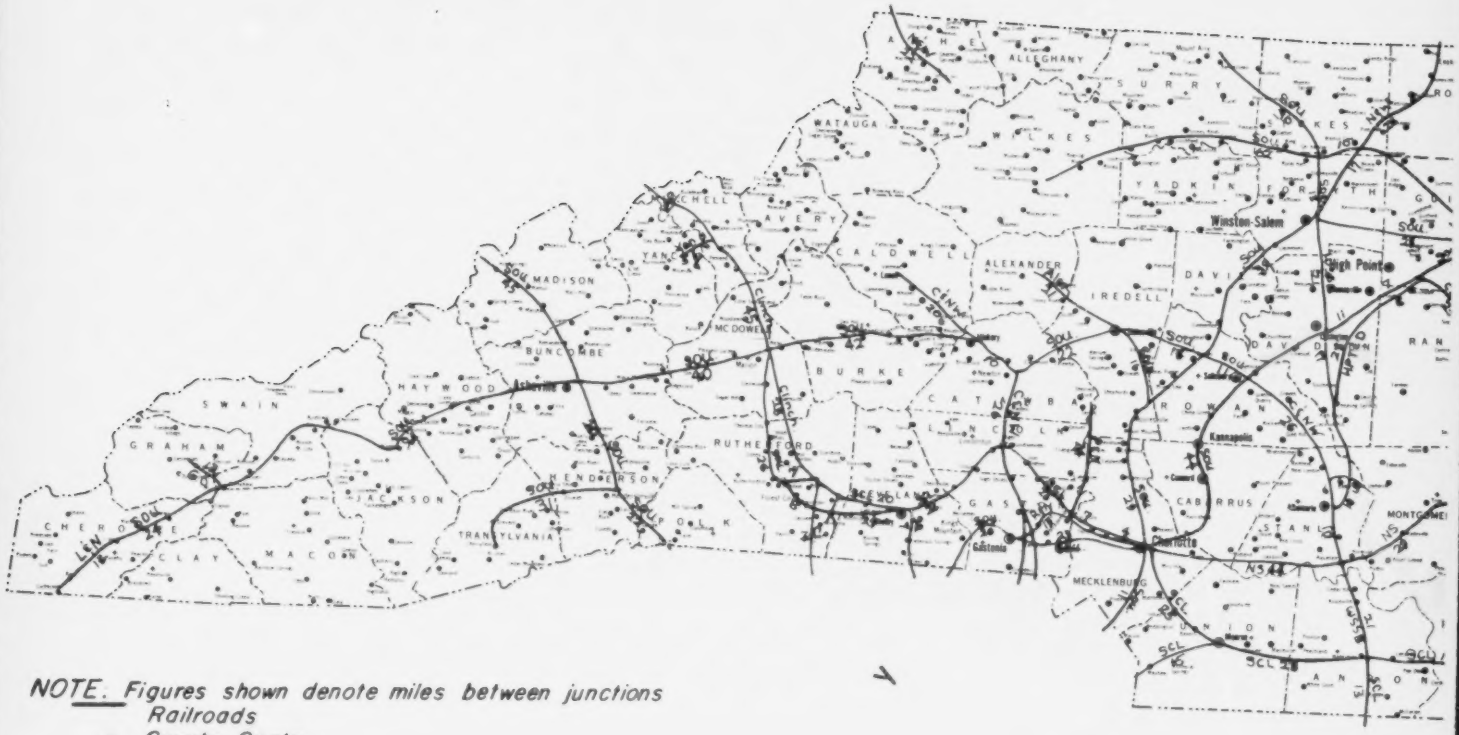
		Class II				Class III									
Item		Duke Power Durham	Duke Power Greensboro	Gaston Lincoln Transit	Total Class II	Carolina Transit Lines of Charlotte	City Coach Co.	Dillahunt, John T.	Gastonia Transit Co.	Kannapolis Transit Co., Inc	Safety Transit Co., Inc.	Suburban Bus Lines Inc.	Statesville Motor Coach	Rockingham[2] Hamlet Bus Line	Total Class III
Operating Revenues	1981	$ 975	$ 504	$ 555	$ 2,034	$ 300	$ 53	$ 8	$ 96	$ 191	$ 401	$ 21	$ 358	$ 3	$ 1,431
	1982	$ 837	$ 553	$ N/A	$ 1,390	$ 372	$ N/A	$ 6	$ N/A[3]	$ 258	$ N/A[3]	$ 1	$ 456	$ 3	$ 1,096
Operating Expenses	1981	$ (2,111)	$ 1,640	$ 494	$ 23	$ 249	$ 95	$ 10	$ 95	$ 205	$ 405	$ 20	$ 300	$ -0-	$ 1,379
	1982	$ (2,229)	$ 1,720	$ N/A	$ (509)	$ 294	$ N/A	$ 16	$ N/A	$ 220	$ N/A	$ 4	$ 407	$ 2	$ 943
Net Operating Revenues	1981	$ (1,136)	$ (1,136)	$ 61	$ (2,211)	$ 51	$ (42)	$ (2)	$ 1	$ (14)	$ (4)	$ 1	$ 58	$ 3	$ 52
	1982	$ (1,392)	$ (1,167)	$ N/A	$ (2,559)	$ 78	$ N/A	$ (10)	$ N/A	$ 38	$ N/A	$ (3)	$ 49	$ 1	$ 153
Operating Ratio (Percent)	1981	216.5%	325.4%	89.0%	961.3%	83.0%	179.2%	125.0%	99.0%	107.3%	101.0%	95.2%	83.8%	-0-%	96.4%
	1982	266.3%	311.0%	N/A	502.7%	78.8%	N/A	266.7%	N/A	49%	N/A	400.0%	89.3%	66.6%	86.0%
Other Income or (Deductions) — Net	1981	$ -0-	$ -0-	$ (13)	$ (13)	$ 22	$ (4)	$ -0-	$ (8)	$ (14)	$ (2)	$ -0-	$ (11)	$ -0-	$ (17)
	1982	$ -0-	$ -0-	$ N/A	$ -0-	$ (5)	$ N/A	$ -0-	$ N/A	$ (25)	$ N/A	$ 1	$ (20)	$ -0-	$ (49)
Income Taxes — Net	1981	-0-	$ -0-	$ 2	$ 2	$ 4	$ -0-	$ -0-	$ -0-	$ 1	$ -0-	$ 1	$ 1	$ -0-	$ 7
	1982	$ -0-	$ -0-	$ N/A	$ -0-	$ 11	$ N/A	$ -0-	$ N/A	$ -0-	$ N/A	$ 1	$ 2	$ -0-	$ 13
Net Income after Taxes	1981	$ (1,136)	$ (1,136)	$ 46	$ (2,226)	$ 69	$ (46)	$ (2)	$ (7)	$ (29)	$ (6)	$ -0-	$ 46	$ 3	$ 28
	1982	$ (1,392)	$ (1,167)	$ N/A	$ (2,559)	$ 62	$ N/A	$ (10)	$ N/A	$ 13	$ N/A	$ (2)	$ 27	$ 1	$ 91
Statistics (Actual)															
Length of bus route — miles — one way	1981	53	82	N/A	135	12	N/A	40	N/A	N/A	67	1	4	N/A	124
	1982	53	53	N/A	106	12	N/A	46	N/A	N/A	N/A	N/A	4	N/A	62
Total No. of buses owned	1981	41	31	7	79	6	3	1	4	4	42	1	7	N/A	68
	1982	41	41	N/A	82	7	N/A	1	N/A	5	N/A	N/A	8	N/A	21
Average No. of buses operated daily	1981	22	19	4	45	2	2	1	8	N/A	33	1	4	N/A	51
	1982	22	22	N/A	44	2	N/A	1	N/A	N/A	N/A	N/A	5	N/A	8
Total bus miles operated — yearly	1981	955	778	399	2,132	128	48	40	35	81	284	9	184	N/A	809
	1982	884	884	N/A	1,768	154	N/A	40	N/A	105	N/A	N/A	159	N/A	459
Total revenue passengers hauled during year	1981	2,225	1,067	105	3,397	32	10	N/A	107	N/A	896	N/A	N/A	N/A	1,045
	1982	2,153	N/A	N/A	2,153	28	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28
Total school passengers hauled during year (included in total passengers hauled)	1981	213	14	N/A	227	N/A	N/A	N/A	100	N/A	727	N/A	N/A	N/A	827
	1982	142	N/A	N/A	142	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average fare per revenue passenger w/a cents	1981	$ N/A	$ N/A	$ N/A	$ N/A	$ -0-	$ N/A	$ N/A	$ N/A	$ 50¢	$ N/A	$ 50¢	$ 1.53	$ N/A	$ 84
	1982	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ 2.00	$ N/A	$ N/A	$ N/A	$ N/A	$ 2.00	$ 1.53	$ N/A	$ 1.84
School passenger fare range	1981	$ N/A	$ N/A	$ N/A	$ N/A	$ -0-	$ N/A	$ 35¢	$ N/A	$ 35¢	$ N/A	$ 35¢	$ 1.30	$ N/A	$ 59
	1982	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ 1.30	$ N/A	$ 1.30
Average No. of bus drivers	1981	36	10	46	3	-0-	N/A	8	6	34	N/A	56	11	N/A	115
	1982	42	N/A	42	4	N/A	N/A	N/A	6	N/A	N/A	10	10	N/A	26
Average No. of full time North Carolina employees	1981	76	13	89	5	-0-	N/A	11	10	42	N/A	75	14	N/A	152
	1982	70	N/A	70	6	N/A	N/A	N/A	10	N/A	N/A	16	13	N/A	39
Total N.C. Salaries & Wages	1981	$ 908	$ 106	$ 1,014	$ 88	$ -0-	$ N/A	$ 43	$ 50	$ 175	$ N/A	$ 390	$ 40	$ N/A	$ 698
	1982	$ 1,223	$ N/A	$ 1,223	$ 108	$ N/A	$ N/A	$ N/A	$ 52	$ N/A	$ N/A	$ 160	$ 42	$ N/A	$ 254

[1]Due to reclassification effective 1-1-80, there are no Class I carriers classified as Intracity.
[2]Rockingham-Hamlet Bus Line filed annual reports for 1981 and 1982, however, there were no operating statistics included.
[3]Report filed indicating that there were no operations for 1982.

N/A — Not Available, either no report or report not complete.



XI. The Transportation Industry—Railroads



NOTE. *Figures shown denote miles between junctions*

Railroads

o *County Seats*

• *Other Towns or Junctions*

FIGURE 11-1

MAP OF

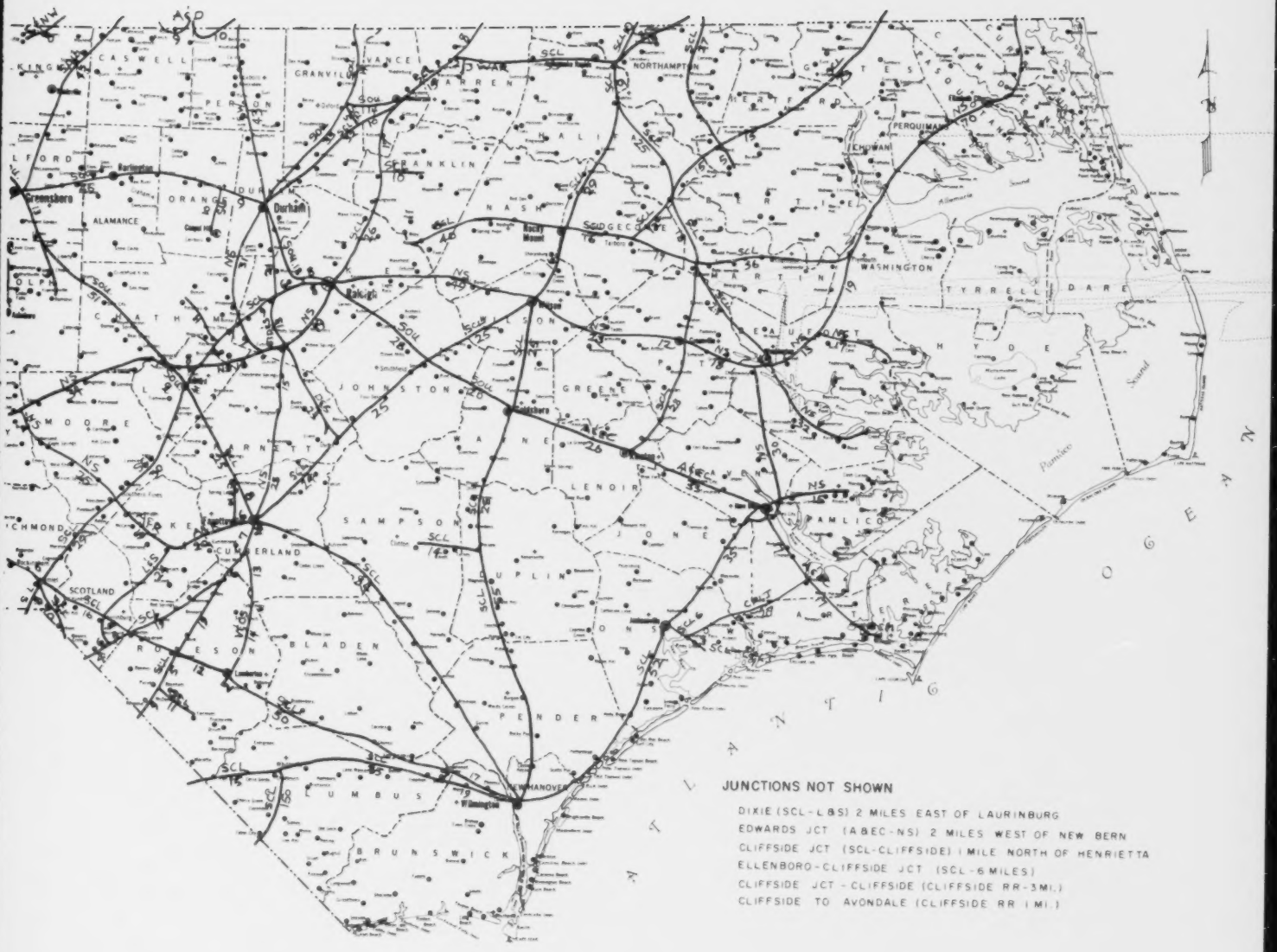
NORTH CAROLINA RAILROADS

PREPARED BY

NORTH CAROLINA UTILITIES COMMISSION

RALEIGH, N.C.

1982



JUNCTIONS NOT SHOWN

DIXIE (SCL-L&S) 2 MILES EAST OF LAURINBURG
EDWARDS JCT (A&EC-NS) 2 MILES WEST OF NEW BERN
CLIFFSIDE JCT (SCL-CLIFFSIDE) 1 MILE NORTH OF HENRIETTA
ELLENBORO-CLIFFSIDE JCT (SCL-6 MILES)
CLIFFSIDE JCT - CLIFFSIDE (CLIFFSIDE RR-3 MI.)
CLIFFSIDE TO AVONDALE (CLIFFSIDE RR 1 MI.)

A. GENERAL COMMENTS

Twenty-two (22) railroads operated 3,919 miles of trackage in North Carolina as of December 31, 1982. Figure No. 11-2 shows a list of railroads franchised to operate as of December 31, 1981, and 1982.

Prior to December 31, 1977, the 22 railroads were classified as follows:

Class I — $10,000,000 or more annual revenue
Class II — Less than $10,000,000 annual revenue

However, effective January 1978 the ICC and the North Carolina Utilities Commission reclassified the railroads as follows:

Class I — $50,000,000 or more annual revenue
Class II — $10,000,000 to $50,000,000 annual revenue
Class III — Less than $10,000,000 annual revenue

At December 31, 1982, there were 6 Class I railroads, no Class II railroads and 16 Class III railroads.

B. PASSENGER SERVICE THROUGH NORTH CAROLINA

The decreasing trend in passenger service is typical of the national pattern. When AMTRAK was formed in 1970 only two railroads provided passenger service in North Carolina: Seaboard Coast Line Railroad Company (SCL) and Southern Railway Company.

Seaboard Coast Line Railroad Company joined AMTRAK and as a result AMTRAK now operates passenger trains over the rails of SCL Nos. 81 and 82, The Silver Star, between New York and Miami, Florida, with stops at Raleigh and Hamlet, North Carolina; Nos. 83 and 84, The Silver Meteor, between Boston, Massachusetts, and Miami, Florida, serving Rocky Mount, North Carolina, as a conditional stop; and Nos. 85 and 86, The Champion, operating between Boston, Massachusetts, and St. Petersburg, Florida, with stops at Rocky Mount, Wilson, and Fayetteville, North Carolina.

On April 6, 1978, Southern Railway Company filed an application with the ICC to discontinue operation of its last passenger train operating in North Carolina. On or about February 1979 AMTRAK took over and began operation of the Southern Crescent, Nos. 1 and 2, operating between Washington, D.C., and Atlanta, Georgia, which was the last independent rail service in North Carolina provided on regular schedules.

The federal budget cuts made in 1981 forced major revisions in AMTRAK's overall service but did not affect service to North Carolina. With the addition of new or rebuilt equipment on all North Carolina routes, service has become more attractive and reliable; however, increased fares may be necessary to absorb the cost of these improvements.

C. RAIL SAFETY ACTIVITY BY COMMISSION

During 1981 and 1982, as in previous years, the Utilities Commission was very active in the investigation and surveillance of the condition of rail trackage and other rail equipment and facilities in an effort to minimize the frequency and severity of rail accidents caused by inadequate maintenance and/or malfunctioning equipment.

During the period 1973-1982 the Commission enlarged the scope of its rail safety program by the addition of three Rail Safety Engineers whose spheres of responsibility include the inspection of all rail trackage and rail equipment in North Carolina.

The duties of these three engineers encompassed on-site inspection of track conditions, equipment, and investigations of train accidents. A written report is filed concerning each inspection, and any defect found is required to be corrected. In addition to on-site inspections, these engineers also conduct inspection of company records to ensure compliance with the rail safety regulations. The Federal Railroad Association reimburses the transportation division for 50% of their expenditures in this rail safety program.

AMTRAK Derailment — March 1984

On March 6, 1984, AMTRAK Passenger Train Number 81, The Silver Star, derailed at Kittrell, North Carolina. The tracks involved are owned, operated, and maintained by the Seaboard System Railroad and identified as the Raleigh Division, Norlina Subdivision. The train consisted of eighteen (18) cars and three (3) locomotives, with 291 passengers and crew members aboard. Of the passengers and crew forty-four (44) received treatment and were released from area hospitals, sixteen (16) were hospitalized, and one (1) who suffered serious injury was sent to Duke Medical Center. The maximum authorized operating speed for passenger trains in this area is 79 mph and The Silver Star was traveling at approximately 77 mph. The track structure is in good condition, and it was dark and raining at the time of the derailment.

D. MOBILE AGENCY CONCEPT AND STATION CLOSING IN NORTH CAROLINA

Mobile Agency Concept

A major innovation in rail freight transportation has been the implementation, upon Commission approval after investigation and hearing, of a mobile agency concept in North Carolina. This concept has replaced the fixed agent serving one town on a 5-day, 40-hour week or less basis with a mobile agent operating a special radio-equipped van, serving by highway several small towns in a given area on a variable route 6 days per week and calling on railroad customers in their respective places of business, rather than the customer having to go to the railroad station as in the past.

The area served by the mobile agent is also served by a special telephone system connected to a central, or base agency, station manned 13 hours per day, 6 days per week, which in turn is connected by a Telex system to a car information computer center. Any customers in the area, by dialing a special number, can talk directly to the personnel in the base agency toll-free and conduct such business with the railroad

as is necessary. In addition the base agent, by using the Telex system, can relay almost immediately any car information a customer requests. The base agent, the mobile agent, and the train crews in the vicinity are in constant communication with each other by radio so that customers can be served efficiently.

This concept, with some variations, is in effect in many places throughout the State. The latest mobile agency concept was approved in 1981:

Mobile Agency Concepts Approved

R-29, Sub 325	1-30-81	Friendship and Guilford College	Establish a Mobile Agency Concept out of Greensboro

Station Closing

The railroads in 1981 and 1982 continued their activity in consolidating their freight handling operations by requesting permission from the Utilities Commission to discontinue freight handling facilities at several locations. The requests by the companies to close or discontinue service at most of the locations are based on economic factors, with the decreasing volume of freight handled at the particular location being the main reason given.

Below are the companies, locations, and facilities affected by the Commission action after hearings with the general public located in the respective areas.

E. RAIL CROSSINGS

There were 5,754 highway rail crossings in North Carolina in 1981 and 5,540 in 1982. During 1981 there were 8 deaths and 44 injuries, and in 1982 there were 9 deaths and 63 injuries. The Utilities Commission has very limited jurisdiction in the elimination of grade crossings and the erection of signaling devices at them. The jurisdiction over State highway system roads and links therein, including the proration of costs of relocation and signaling devices, is in the Highway Commission, with a statutory provision that 90% of such costs are to be borne by the Highway Commission.

F. STATISTICS SUMMARY DATA

Operating revenues of all the railroads decreased in 1982 over 1981. The portion allocated to North Carolina decreased by 5% and by 1% for the total system. Operating expenses increased 10.4% for the North Carolina portion and decreased 10.5% for the total system. The North Carolina operating ratio was 88.4% in 1981 and 102.8% in 1982. See Figure No. 11-3.

Railway freight activity in North Carolina, as reflected by the tons of revenue freight originating in North Carolina, decreased 4.5% in 1982 over 1981. Figure No. 11-4 shows for several years the tons of freight, by major commodity groups, that originated in North Carolina. Changes in the commodity groups do not necessarily indicate the total state level of activity in these groups since there are alternate modes of transportation available for their movement.

The number of employees residing in North Carolina and working for the railroads increased by 58; average compensation for the workers was approximately $27,362 in 1981 and $28,050 in 1982 with total compensation in excess of $157 million. See Figure No. 11-5 for additional financial and statistical data on the operation of all railroads.

RETIREMENT, ABANDONMENT, AND RELOCATION OF STATIONS AND FACILITIES
Period 1981-1982

Docket Number	Date of Order	Location of Facility (North Carolina)	Disposition of Facility
		ALEXANDER RAILROAD COMPANY	
R-9, Sub 3	6-29-81	Taylorsville, N.C.	Remove Depot Building at Hiddenite, N.C.
		ATLANTIC & EAST CAROLINA RAILROAD COMPANY	
R-10, Sub 12	5-20-82	Morehead City, N.C.	Remove Track No. 90-1.
		NORFOLK & SOUTHERN RAILROAD COMPANY	
R-4, Sub 138	1-21-81	Hootentown, N.C.	Remove Sidetrack
R-4, Sub 140	11-2-81	Alchal, N.C.	Remove Track
R-4, Sub 142	3-26-82	Raleigh, N.C.	Remove Industrial Track
R-4, Sub 144	7-7-82	Dallas, N.C.	Change Status of Station to Nonagency Station Governed by Gastonia
R-4, Sub 147	7-7-82	Raleigh, N.C.	Remove Track
		SEABOARD COAST LINE	
R-71, Sub 96	3-19-81	Clarendon, N.C.	Retire Team Track & Discontinue Nonagency Station
R-71, Sub 97	6-11-81	Dudley, N.C.	Retire Team Track at Dudly and Change Station to a Private Siding Station
R-71, Sub 98	11-2-81	Brake, N.C.	Retire Team Track and Discontinue Station
R-71, Sub 99	11-2-81	Gumberry, N.C.	Retire Track and Discontinue Station
R-71, Sub 100	11-2-81	Milbrook, N.C.	Retire Track and Discontinue Station
R-71, Sub 101	11-3-81	Pendleton, N.C.	Retire Track and Discontinue Station
R-71, Sub 102	11-13-81	Momeyer, N.C.	Retire Track and Discontinue Station
R-71, Sub 103	11-16-81	Vaughan, N.C.	Retire Track and Discontinue Station
R-71, Sub 104	3-10-82	New Bern, N.C.	Relocate Team Track
R-71, Sub 105	12-2-81	Ahoskie, N.C.	Abolish Existing Conway, N.C. Mobile Agency

SEABOARD COAST LINE (Continued)

R-71, Sub 106	11-24-81	Armour, N.C.	Retire Track and Discontinue Station
R-71, Sub 107	11-24-81	Clay, N.C.	Retire Track and Discontinue Station
R-71, Sub 109	1-21-82	Polkton, N.C.	Retire Track and Change Status of Station to a Private Siding Station
R-71, Sub 110	1-19-82	Lucama, N.C.	Retire Track and Change Status to Private Siding Station
R-71, Sub 111	2-12-82	Spring Hill, N.C.	Retire Track and Discontinue Station
R-71, Sub 112	6-28-82	Rocky Point, N.C.	Retire Track and Discontinue Station
R-71, Sub 113	9-9-82	Waco, N.C.	Retire Track and Change Status to Private Siding Station
R-71, Sub 115	7-29-82	Elrod, N.C.	Retire 3 Tracks and Discontinue Station

SOUTHERN RAILWAY COMPANY[3]

R-29, Sub 325	1-30-81	Friendship & Guilford College, N.C.	Establish a Mobile Agency Concept Operation Out of Greensboro
R-29, Sub 336	1-16-81	Swannanoa, N.C.	Remove Track
R-29, Sub 340	1-20-81	Greensboro, N.C.	Retire and Remove Tracks
R-29, Sub 341	1-20-81	Morganton, N.C.	Retire and Remove Sidetrack 5-79-11
R-29, Sub 343	3-27-81	Newbridge, N.C.	Retire and Remove Track
R-29, Sub 344	4-10-81	Mocksville, N.C.	Remove and Retire Tracks
R-29, Sub 345	4-19-82	Shelby, N.C.	Remove and Retire Track No. 154-4 and 154.5
R-29, Sub 346	4-30-81	Ellenboro, N.C.	Retire and Remove Track No. 170-1
R-29, Sub 348	5-8-81	Selma, N.C.	Retire and Remove and Portion of Track No. 110-5
R-29, Sub 349	11-2-81	Azalea, N.C.	Retire and Remove Track No. 136-1
R-29, Sub 351	10-13-81	Winston-Salem, N.C.	Retire and Remove Track No. 3-3
R-29, Sub 352	6-11-81	Burlington, N.C.	Retire and Remove Track 22-16
R-29, Sub 353	5-27-81	New Bern, N.C.	Retire and Remove Track
R-29, Sub 355	6-11-81	Pine Level, N.C.	Retire and Remove Track #112-1 and 112-2
R-29, Sub 357	5-29-81	Greensboro, N.C.	Petire and Remove Track #64-98
R-29, Sub 361	8-20-82	Kannapolis, N.C.	Removal of Sidetrack 348-5
R-29, Sub 362	10-23-81	Brickton, N.C.	Retire and Remove Sidetrack
R-29, Sub 363	4-27-82	Hildebran, N.C.	Retire and Remove Track
R-29, Sub 366	10-16-81	Marion, N.C.	Retire and Remove Track
R-29, Sub 368	10-19-81	Hickory, N.C.	Remove Track #55-2
R-29, Sub 369	10-20-81	Hickory, N.C.	Remove Track #60-1
R-29, Sub 370	10-20-81	Conover, N.C.	Remove Track and Retire
R-29, Sub 371	10-16-81	Morganton, N.C.	Retire and Remove Track
R-29, Sub 373	10-20-81	Sylva, N.C.	Remove Track and Trestle
R-29, Sub 374	11-25-81	Kernersville, N.C.	Remove Sidetrack 15-1
R-29, Sub 375	9-29-82	Hot Springs, N.C.	Discontinue Station
R-29, Sub 376	11-2-81	Hendersonville, N.C.	Remove Industrial Track
R-29, Sub 377	7-7-82	Morganton, N.C.	Remove Track 80-3
R-29, Sub 379	1-4-82	Asheville, N.C.	Remove Track and Trestle
R-29, Sub 380	11-25-81	Derita, N.C.	Retire and Remove Sidetrack 7-1
R-29, Sub 381	12-31-81	Mooresville, N.C.	Remove Track
R-29, Sub 382	12-31-81	Elkin, N.C.	Remove Sidetrack 81-1
R-29, Sub 383	12-31-81	Winston-Salem, N.C.	Remove Track
R-29, Sub 384	1-13-82	Eufola, N.C.	Remove Track
R-29, Sub 385	1-8-82	Sandclay, N.C.	Remove Sidetrack
R-29, Sub 386	1-22-82	Selma, N.C.	Remove Sidetrack
R-29, Sub 387	1-22-82	Clayton, N.C.	Remove Sidetrack
R-29, Sub 388	12-31-81	Mebane, N.C.	Remove Sidetrack
R-29, Sub 389	12-31-81	Davidson, N.C.	Remove Portion of Track
R-29, Sub 390	2-9-82	McLeansville, N.C.	Remove Team Track
R-29, Sub 391	1-21-82	Greensboro, N.C.	Remove Team Track
R-29, Sub 392	3-26-82	Fairview, N.C.	Remove Team Track
R-29, Sub 393	3-26-82	Vandalia, N.C.	Remove Track #74-2
R-29, Sub 394	3-18-82	Mebane, N.C.	Remove Industrial Track
R-29, Sub 396	7-6-82	Belmont, N.C.	Remove 3509' of Track #389-2
R-29, Sub 398	9-14-82	Greensboro, N.C.	Remove Track 71-7
R-29, Sub 399	8-2-82	Salisbury, N.C.	Remove Sidetracks
R-29, Sub 401	6-23-82	Newbridge, N.C.	Remove Track
R-29, Sub 402	5-20-82	Rose, N.C.	Retire and Remove Team Track
R-29, Sub 403	6-11-82	Brevard, N.C.	Remove Track
R-29, Sub 405	6-11-82	Haw River, N.C.	Remove Track
R-29, Sub 407	7-7-82	Statesville, N.C.	Remove Track
R-29, Sub 409	7-20-82	Marion, N.C.	Remove Track #S 99.1
R-29, Sub 410	7-20-82	Flat Rock, N.C.	Remove Track #24-2
R-29, Sub 411	7-20-82	Morganton, N.C.	Remove Track #79-14
R-29, Sub 412	8-18-82	Charlotte, N.C.	Remove Sidetrack 375-1
R-29, Sub 413	9-23-82	Wendell, N.C.	Remove Track MP213.5
R-29, Sub 414	8-13-82	Goldsboro, N.C.	Remove Sidetrack
R-29, Sub 415	10-8-82	Old Fort, N.C.	Relocate Depot Station
R-29, Sub 416	9-29-82	Siler City, N.C.	Remove Track
R-29, Sub 417	12-7-82	Asheville, N.C.	Remove Sidetrack
R-29, Sub 418	11-19-82	Friendship, N.C.	Remove Track

FIGURE NO. 11-2

RAILROADS AUTHORIZED TO OPERATE IN NORTH CAROLINA AS OF DECEMBER 31, 1981 AND 1982

	Main Business Office	Abbreviation	Class	Mileage Operated North Carolina 1981	North Carolina 1982	System 1981	System 1982	1982 % in N.C.
1. Aberdeen and Rockfish Railroad Co.	Aberdeen, N.C.	A&R	III	47	47	47	47	100.0
2. Alexander Railroad Co.	Taylorsville, N.C.	ARC	III	19	19	19	19	100.0
3. Atlantic and East Carolina Railway Co.	Washington, D.C.	A&EC	III	95	95	95	95	100.0
4. Atlantic & Western Corp.	Sanford, N.C.	ATW	III	3	3	3	3	100.0
5. Beaufort and Morehead Railroad	Beaufort, N.C.	B&MN	III	4	4	4	4	100.0
6. Camp Lejeune Railroad Co.	Washington, D.C.	CLRR	III	30	30	30	30	100.0
7. Cape Fear Railways, Inc.	Fort Bragg, N.C.	CFR	III	10	10	10	10	100.0
8. Cliffside Railroad Co.	Cliffside, N.C.	Cliff	III	4	4	4	4	100.0
9. Clinchfield Railroad Co.	Jacksonville, Fla.	CRR	I	117	117	296	206	56.7
10. Durham and Southern Railway Co.	Durham, N.C.	D&S	III	57	57	57	57	100.0
11. Graham County Railroad Co.	Robbinsville, N.C.	G.C.	III	12	12	12	12	100.0
12. High Point, Thomasville & Denton Railroad Co.	Jacksonville, Fla.	HPT	III	34	34	34	34	100.0
13. Laurinburg and Southern Railroad	Laurinburg, N.C.	LSR	III	28	28	28	28	100.0
14. Louisville and Nashville Railroad Co.	Louisville, Ky.	L&N	I	13	13	6,538	6,441	.2
15. Carolina and Northwestern[1]	Washington, D.C.	CNW	I	693	672	838	817	82.3
16. Norfolk and Western Railway Co.	Roanoke, Va.	N&W	I	95	95	7,803	7,865	1.2
17. Seaboard Coast Line Railroad Co.	Jacksonville, Fla.	SCL	I	1,484	1,449	8,563	8,772	16.5
18. Southern Railway Co.	Washington, D.C.	Sou	I	1,118	1,118	5,826	5,826	19.2
19. State University Railroad Co.	Washington, D.C.	S.T.U.	III	10	10	10	10	100.0
20. Warrenton Railroad Co.	Warrenton, N.C.	W.R.R.	III	3	3	3	3	100.0
21. Winston-Salem Southbound Railway	Jacksonville, Fla.	WSS	III	87	87	87	87	100.0
22. Yancey Railroad Co., Inc.	Burnsville, N.C.	Yancey	III	12	12	12	12	100.0
TOTALS				3,975	3,919	30,319	30,382	12.9

[1]Carolina and Northwestern was formerly Norfolk and Southern Railroad Co.

Interstate Commerce Commission classification adopted by N.C. Utilities Commission effective January 1, 1978.
Class I — Railroads having annual revenues of $50,000,000 or more.
Class II — Railroads having annual revenues of $10,000,000-$50,000,000.
Class III — Railroads having annual revenues of less than $10,000,000.

FIGURE NO. 11-3

RAILROAD CLASSES I, II, & III
OPERATING REVENUES, EXPENSES & RATIOS

(North Carolina Data Only)
For the Years 1960, 1965, 1970, 1975, 1980, 1981, 1982

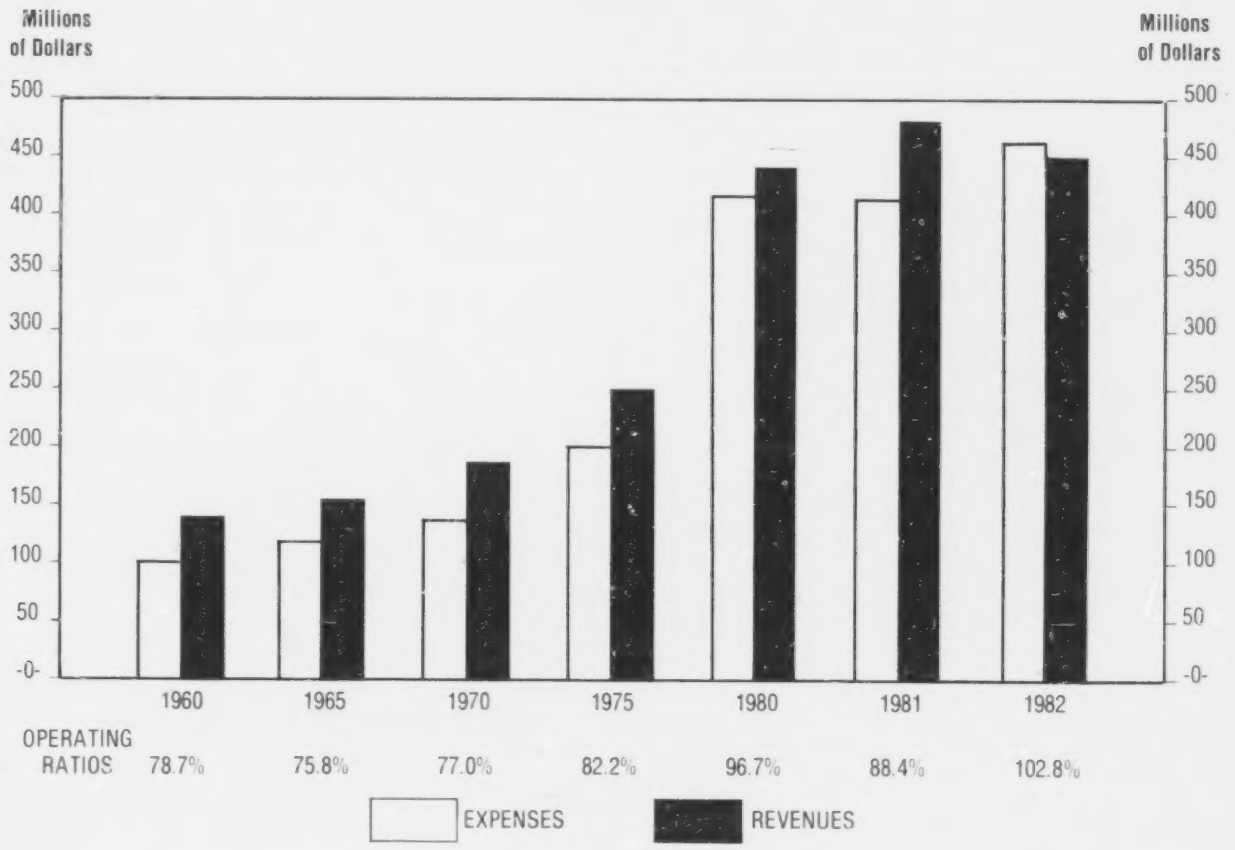


FIGURE NO. 11-4

TONS (2,000 LBS.) OF REVENUE FREIGHT BY COMMODITY TYPE ORIGINATING WITHIN THE STATE OF NORTH CAROLINA ON THE CLASS I, II AND III RAILROADS UNDER REGULATION

Data for the Years 1960, 1965, 1970, 1975, 1978, 1979, 1980, 1981, 1982

	TONS OF REVENUE FREIGHT ORIGINATING IN STATE (000'S)									% Change More (Less)
GROUP AND COMMODITY	1960	1965	1970	1975	1978	1979	1980	1981[1]	1982[2]	1982-1981
Group I — Products of Agriculture	766	1,488	2,125	3,195	2,696	2,821	3,130	1,197	1,288	7.6
Group II — Animals and Products	36	7	22	9	12	24	20	21	23	9.5
Group III — Products of Mines	4,904	5,421	5,776	3,080	3,234	2,870	1,982	5,692	3,401	(40.0)
Group IV — Products of Forests	3,647	4,639	6,403	4,267	4,781	4,502	4,639	6,899	6,602	(4.3)
Group V — Manufacturers & Miscl.	4,294	5,884	8,852	9,007	10,342	9,748	10,028	5,615	5,675	1.0
Group VI — Forwarder Traffic	N/Apl.	N/Apl.	N/Apl.	N/Apl.	N/Apl.	N/Apl.	N/Apl.	N/Apl.	N/Apl.	—
Group VII — All Less than Carload Freight	92	33	7	51	3	-0-	4	-0-	-0-	—
Total for All Groups	13,739	17,472	23,165	19,609	21,068	19,965	19,803	19,424	16,989	(12.5)

*N/Apl. — Not applicable

1. & 2. As of March 5, 1982, (Docket No. R-26, Sub 29), Class III railroads were relieved of the duty to file an annual report of their operations with the North Carolina Utilities Commission. Therefore, some figures for 1981 and 1982 may not reflect all Class III railroads.

FIGURE NO. 11-5

RAILROADS — CLASS I, II AND III
SUMMARY OF SELECTED DATA — INCOME, EXPENSES, BALANCE SHEET AND STATISTICAL ITEMS
For the Calendar years 1960, 1965, 1970, 1975, 1980, 1981, 1982 (Class I)

	Allocation of Data	Grand Total — CLASS I 1960	1965	1970	1975	1980	1981	1982	% Change More (Less) 1982-1981
No. of Companies Covered by Data:				6	6	6	6	6	
Income & Expense Items									
Operating Revenues	N.C.	$ 120,401	$ 140,701	$ 192,795	$ 237,456	$ 424,893	$ 451,644	$ 430,828	(4.6)
	Total	1,083,951	1,592,074	2,072,069	2,838,455	5,031,268	7,410,685	6,761,099	(8.7)
Operating Expenses:	N.C.	95,518	107,743	150,734	197,725	412,898	398,597	446,739	12.0
	Total	866,136	1,141,031	1,536,621	2,127,880	4,327,113	6,761,099	6,052,171	(10.4)
Net Revenue from Railroad Operations	N.C.	24,883	32,958	42,061	39,731	11,995	53,047	(15,911)	70.0
	Total	$ 217,815	$ 451,043	$ 535,448	$ 710,575	$ 704,155	$ 1,186,055	$ 708,928	40.2
Operating Ratio (Percent)	N.C.	79.3%	76.6%	78.2%	83.3%	97.2%	88.2%	103.6%	17.4
	Total	79.7%	71.7%	74.2%	75.0%	86.0%	83.9%	89.5%	6.6
Fixed Charges	Total	$ 48,233	$ 82,308	$ 123,631	$ 155,903	$ 192,466	$ 212,329	$ 202,219	(4.7)
Net Income	Total	128,663	184,718	182,430	252,814	647,454	765,988	674,364	11.9
State Income Taxes	N.C.	N/A	412	370	584	2,611	208[1]	(177)[2]	—
Real Estate & Personal Property Taxes	N.C.	N/A	3,394	3,036	3,420	4,417	3,264	4,993	52.9
Other N.C. Taxes	N.C.	N/A	758	2,625	4,279	5,240	2,861	4,736	65.5
Total Tax Accruals	N.C.	N/A	4,564	6,031	8,283	12,268	6,333	9,552	50.8
	Total	$ N/A	$ 156,653	$ 171,480	$ 264,376	$ 477,912	$ 323,133	$ 464,537	43.7
Balance Sheet Items									
Net Book Value— Transportation Property	Total	$2,873,588	$ 3,816,261	$ 4,597,303	$ 5,116,622	$ 6,202,901	$ 6,724,918	$ 6,770,676	1.0
Statistics:									
Average Mile of Road Operated	N.C.	3,722	3,743	3,705	3,691	3,646	3,625	3,652	1.0
	Total	25,434	30,343	29,873	30,310	29,706	29,620	30,017	1.3
Freight Revenue	N.C.	$ 104,098	$ 130,134	$ 181,027	$ 230,248	$ 406,338	$ 467,288	$ 433,474	7.2
	Total	$ 958,647	$ 1,449,866	$ 1,972,758	$ 2,751,770	$ 4,885,219	$ 6,097,211	$ 6,583,648	7.9
Tons of Revenue Freight Hauled	N.C.	63,636	86,772	107,529	99,140	118,441	110,918	106,233	4.2
	Total	348,481	506,307	559,173	635,355	586,593	467,755	536,757	14.7
Freight Revenue Per Ton	N.C.	$ 1.64	$ 1.50	$ 1.79	$ 2.32	$ 3.44	$ 3.40	$ 3.83	12.6
	Total	$ 2.75	$ 2.86	$ 3.71	$ 4.33	$ 8.37	$ 13.03	$ 12.26	5.9
Gallons Diesel Fuel Purchased or Used	N.C.	41,614	49,949	59,518	59,748	66,717	64,731	63,229	2.3
No. of Employees Allocated	N.C.	9,978	7,802	6,926	6,556	6,822	5,413	5,631	4.0
Total Compensation of Employees	N.C.	$ 56,258	$ 53,604	$ 66,378	$ 92,890	$ 138,716	$ 153,665	$ 148,463	3.3
Average Annual Compensation/Employee	N.C.	$ 5,163	$ 6,871	$ 9,584	$ 14,169	$ 20,334	$ 28,388	$ 26,365	6.9
Highway Railroad Grade Crossings	N.C.	3,779	3,448	3,498	3,475	6,121	5,436	7,762	42.7
No. Killed — Grade Crossing Accidents	N.C.	N/A	57	39	25	34	8	9	12.5
No. Injured — Grade Crossing Accidents	N.C.	N/A	133	175	129	95	44	63	43.1

[1] This number does not include Clinchfield Railroad, Louisville & Nashville, or Seaboard Coast Line. The information was not available.

FIGURE NO. 11-5 (Continued)

RAILROADS — CLASS I, II AND III
SUMMARY OF SELECTED DATA — INCOME, EXPENSES, BALANCE SHEET AND STATISTICAL ITEMS
For the Calendar years 1960, 1965, 1970, 1975, 1980, 1981, 1982 (Class III)

	Allocation of Data	Grand Total — CLASS III							% Change More (Less) 1982-1981
		1960	1965	1970	1975	1980	1981	1982	
No. of Companies Covered by Data[1]:		21	21	17	17	15	16	16	
Income & Expense Items (in thousands)									
Operating Revenues	N.C.	$ 7,104	$ 8,619	$ 11,603	$ 12,702	$ 19,967	$ 21,255	$ 18,333	(13.7)
	Total	9,913	11,390	16,371	17,458	26,655	21,255	18,333	(13.7)
Operating Expenses:	N.C.	4,771	5,483	6,630	7,827	17,396	19,578	15,157	(22.6)
	Total	6,888	7,624	9,862	10,585	23,497	19,578	15,157	(22.6)
Net Revenue from Railroad Operations	N.C.	2,333	3,136	4,973	4,875	2,571	1,677	3,176	89.4
	Total	$ 3,025	$ 3,766	$ 6,509	$ 6,873	$ 3,158	$ 1,677	$ 3,176	89.4
Operating Ratio (Percent)	N.C.	67.2%	63.6%	57.1%	61.6%	87.1%	92.1%	82.7%	(10.2)
	Total	69.5%	66.9%	60.2%	60.6%	88.2%	92.1%	82.7%	(10.2)
Fixed Charges	Total	$ 485	$ 615	$ 1,227	$ 492	$ 249	$ 175	$ 197	12.6
Net Income	Total	(211)	399	1,758	1,991	2,862	1,174	2,990	154.7
State Income Taxes	N.C.	N/A	35	129	116	166	113	71	37.2
Real Estate & Personal Property Taxes	N.C.	N/A	157	122	133	74	64	69	7.8
Other N.C. Taxes	N.C.	N/A	331	870	112	116	571	754	32.0
Total Tax Accruals	N.C.	N/A	523	1,121	361	356	177	140	(20.9)
	Total	$ N/A	$ 848	$ 1,950	$ 2,422	$ 1,785	$ 1,972	$ 727	(63.1)
Balance Sheet Items (in thousands)									
Net Book Value—Transportation Property	Total	$ 11,797	$ 17,799	$ 22,007	$ 16,235	$ 18,315	$ 19,141	$ 19,216	1.0
Statistics:									
Average Mile of Road Operated	N.C.	697	721	635	478	425	368.7	368.2	(1.0)
	Total	1,037	1,028	945	661	583	368.7	368.2	(1.0)
Freight Revenue (in thousands)	N.C.	$ 6,930	$ 8,261	$ 11,442	$ 12,226	$ 17,457	$ 11,140	$ 16,801	50.8
	Total	9,696	10,954	15,830	17,043	23,632	11,140	16,801	50.8
Tons of Revenue Freight Hauled (in thousands)	N.C.	7,348	9,961	11,155	7,542	6,987	5,743	5,117	(10.9)
	Total	9,009	11,464	13,444	9,515	8,587	5,743	5,117	(10.9)
Freight Revenue Per Ton	N.C.	.94	.83	1.04	1.62	2.50	1.94	3.28	69.1
	Total	1.08	.96	1.22	1.79	2.75	1.94	3.28	69.1
Gallons Diesel Fuel Purchased or Used (in thousands)	N.C.	1,286	1,757	2,271	1,725	2,132	2,222	378	N/A
No. of Employees Allocated	N.C.	599	584	414	313	209	195	196	N/A
Total Compensation of Employees (in thousands)	N.C.	2,514	2,851	3,089	3,335	3,906	4,016	4,068	12.9
Average Annual Compensation per Employee	N.C.	3,529	4,331	7,463	10,655	18,689	20,594	20,755	1.0
Highway Railroad Grade Crossings	N.C.	640	973	864	589	644	309	300	2.9
No. Killed — Grade Crossing Accidents	N.C.	N/A	7	-0-	-0-	-0-	-0-	2	—
No. Injured — Grade Crossing Accidents	N.C.	N/A	11	8	6	1	6	5	

[1]The following companies did not file any operating data with the North Carolina Utilities Commission and are therefore, not included in the above chart. Aberdeen & Rockfish, Durham & Southern, Graham County Railroad, Warrenton Railroad, and Yancey Railroad. By Commission order, Docket No. R-26, Sub 29, March 5, 1982, the Class III railroads were exempted from filing with the Commission an annual report of their operations. However, some Class III railroads did file annual reports and are therefore included in this data.

FIGURE NO. 11-5 (Continued)

RAILROADS — CLASS I, II AND III
SUMMARY OF SELECTED DATA — INCOME, EXPENSES, BALANCE SHEET AND STATISTICAL ITEMS
For the Calendar years 1960, 1965, 1970, 1975, 1980, 1981, 1982 (Class I, II and III)

	Allocation of Data	Grand Total — CLASS I, II, & III[5] 1960	1965	1970	1975	1980	1981	1982	% Change More (Less) 1982-1981
No. of Companies Covered by Data:		29	29	23	23	21	22	22	
Income & Expense Items (in thousands):									
Operating Revenues	N.C.	$ 127,505	$ 149,320	$ 204,398	$ 250,158	$ 444,860	$ 472,899	$ 449,161	(5.0)
	Total	$ 1,093,864	$ 1,603,464	$ 2,088,440	$ 2,855,913	$ 5,057,923	$ 7,431,940	$ 6,779,432	(8.7)
Operating Expenses[1]	N.C.	100,289	113,226	157,364	205,552	430,294	418,175	461,896	10.4
	Total	873,024	1,148,655	1,546,483	2,138,465	4,350,610	6,780,677	6,067,328	(10.5)
Net Revenue from Railroad Operations	N.C.	27,216	36,094	47,034	44,606	14,566	54,724	(12,735)	
	Total	$ 220,840	$ 454,809	$ 541,957	$ 717,448	$ 707,313	$ 651,263	$ 712,104	9.3
Operating Ratio (Percent)[3]	N.C.	78.7%	75.8%	77.0%	82.2%	96.7%	88.4%	102.8%	16.2
	Total	79.8%	71.6%	74.1%	74.9%	86.0%	91.2%	89.6%	(1.7)
Fixed Charges	Total	$ 48,718	$ 82,923	$ 124,858	$ 156,395	$ 192,715	$ 212,504	$ 202,416	(4.7)
Net Income	Total	$ 128,452	$ 185,117	$ 184,188	$ 254,805	$ 650,316	$ 767,162	$ 677,354	(11.7)
State Income Taxes	N.C.	N/A	447	499	700	2,777	321	(106)	
Real Estate & Personal Property Taxes	N.C.	N/A	3,551	3,158	3,554	4,491	3,328	5,062	52.1
Other N.C. Taxes[2]	N.C.	N/A	1,089	3,494	4,391	5,356	3,432	5,490	59.9
Total Tax Accruals	N.C.	N/A	5,087	7,151	8,644	12,624	6,510	9,692	48.8
	Total	N/A	$ 157,501	$ 173,425	$ 266,798	$ 479,697	$ 325,105	$ 465,264	43.1
Balance Sheet Items (in thousands):									
Net Book Value—Transportation Property	Total	$ 2,885,385	$ 3,834,060	$ 4,619,310	$ 5,132,857	$ 6,221,216	$ 6,744,059	$ 6,789,892	1.0
Statistics:									
Average Mile of Road Operated	N.C.	4,419	4,464	4,340	4,169	4,071	3,994	4,021	1.0
	Total	26,471	31,371	30,818	30,971	30,289	29,989	30,386	1.3
Freight Revenue (in thousands)	N.C.	$ 111,028	$ 138,395	$ 192,469	$ 242,474	$ 423,795	$ 478,428	$ 450,275	(5.8)
	Total	$ 968,343	$ 1,460,820	$ 1,988,588	$ 2,768,813	$ 4,908,851	$ 6,108,351	$ 6,600,449	8.0
Tons of Revenue Freight Hauled (in thousands)	N.C.	70,984	96,733	118,684	106,682	125,428	116,661	111,350	(4.5)
	Total	357,490	517,771	572,617	644,870	595,180	473,498	541,874	14.4
No. of Employees Allocated	N.C.	10,577	8,386	7,340	6,869	7,031	5,573	5,631	1.0
Total Compensation of Employees	N.C.	$ 58,772	$ 56,455	$ 69,467	$ 96,225	$ 142,622	$ 152,493	$ 157,953	3.6
Average Annual Compensation per Employee	N.C.	$ 5,557	$ 6,732	$ 9,464	$ 14,009	$ 20,285	$ 27,362	$ 28,050	2.5
Highway Railroad Grade Crossings	N.C.	4,419	4,421	4,362	4,064	6,765	5,745	5,550[4]	(3.3)
No. Killed — Grade Crossing Accidents	N.C.	N/A	64	39	25	34	8	9	12.5
No. Injured — Grade Crossing Accidents	N.C.	N/A	144	183	135	96	44	63	43.1
Freight Revenue Per Ton	N.C.	1.56	1.43	1.72	2.27	3.38	4.10	4.04	1.4
	Total	2.71	2.82	3.65	4.29	8.25	12.90	12.18	5.5

[1]Before Tax Accruals and Net Rent
[2]Includes Franchise Tax
[3]Effective 1/1/78, Class I & II railroads began recording their operations in conformance with the revised Uniform System of accounts, resulting in expense reclassifications which affected the net revenue and the operating ratio. This change is reflected in the 1980 period; 1975 and prior years were not restated to reflect the changes.
[4]Estimate from the N.C. Highway Division on the 1983 figure.
[5]Class III railroads were exempted from filing an annual report with the North Carolina Utilities Commission. (Docket No. R-26, Sub 29, March 5, 1982) therefore some figures may not reflect all the Class III railroads.
N/A — Not Available

XII. Investigation And Enforcement

INVESTIGATION AND ENFORCEMENT

G.S. 62-277 of the Public Utilities Act of 1963, which became effective January 1, 1964, vested the Transportation Inspectors and Special Investigators employed by the Commission with the same enforcement and police powers as members of the State Highway Patrol in enforcing provisions of the law applicable to motor transportation for which the Utilities Commission has responsibility. The Commission has eleven (11) of these inspectors domiciled throughout the State.

During 1981 and 1982 these inspectors made investigations or inspections and traveled as shown on Figure 12-1.

During 1981 and 1982 the inspectors, working at check points throughout the State, inspected 602 and 519 buses in detail and made limited inspections and observations of over 30,000 trucks. A vehicle discovered to have defects which would render it hazardous to operate is grounded on the spot and required to be repaired before being allowed to proceed. This inspection program has contributed much to the safety of the general travelling public and to the motor carrier operations conducted over the highways of this state.

During the course of a year the transportation inspectors and special investigators:

(a) Inspect and grade all bus passenger stations in the State every ninety (90) days;
(b) Inspect freight terminals to ensure that the movement of freight is kept current and that facilities have adequate sanitation, safety, security, and space for handling of freight;
(c) Inspect motor carriers' home offices to ensure correct and adequate maintenance of economic, driver, and safety records;
(d) Make numerous random inspections of shipping documents, motor carrier operations, and cargoes of vehicles engaged in either intrastate or interstate movement of commodities and passengers for conformity with either the North Carolina Public Utilities Act or by the Interstate Commerce Act by cooperative agreement authorized under Public Law 89-170;
(e) Make numerous random inspections of vehicles, drivers, containers, packaging, shipping documents, labels, markings, and cargoes of vehicles engaged in either intrastate or interstate "for-hire" movements of commodities and passengers for conformity with the Federal Motor Carrier Safety Regulations, Parts 390-398, and the Federal Hazardous Materials Regulations, Parts 170-190, of the U.S. Department of Transportation as adopted under the Commission's rule-making process and by cooperative agreement authorized under Public Law 89-170;
(f) Furnish information and file written reports on irregularities of vehicles, drivers, motor carrier operations, and cargoes of vehicles engaged in interstate movements of commodities and passengers to the Interstate Commerce Commission and the U.S. Department of Transportation through cooperative agreements authorized under Public Law 89-170;
(g) Investigate and file written reports on complaints and irregularities of vehicles, drivers, motor carrier operations, and cargoes of vehicles engaged in intrastate movements of commodities and passengers for the Commission;
(h) Assess penalties and registration fees to interstate motor carriers not in compliance with registration and insurance requirements of the Commission, pursuant to G.S. 62-266;
(i) Make an investigation of and file a written report on select motor carrier accidents resulting in the loss of life, serious bodily injury, or property damage in excess of $5,000 and give conclusions as to the underlying causes of the accident; and
(j) File written reports on all assigned initiated actions for compliance with Commission statutes and rules regarding complaints, inspections, surveys, investigations, surveillances, service of process, and litigations.

All infractions of safety rules on equipment discovered during the process of an inspection are reported to the Commission. During 1981 and 1982 there were 155 and 92 buses, respectively, which were found to have defects. Of the above defective buses, there were 43 in 1981 and 27 in 1982 which failed to pass the equipment and safety factor inspections by the Commission personnel and were grounded on the spot.

All infractions of the economic rules on motor carrier operations discovered during the process of highway inspections and investigations are reported to the Commission. During 1981 there were 2,462 violations, of which 1,833 were interstate motor carrier operations lacking compliance with registration and insurance requirements, resulting in $40,401 in fees and penalties being collected. In 1982 there were 3,075 violations, of which 2,649 were interstate motor carrier operations with $58,569 being collected in penalties.

Bus stations were inspected for sanitary and passenger comfort. Each station inspected is graded, and a report is made to the Commission. During 1981 a total of 155 of the 602 bus stations graded were found to need improvement, and in 1982 a total of 92 of the 519 stations were reported to the Commission.

Thousands of vehicles of the regulated motor freight carriers and exempt "for-hire" motor freight carriers were checked for equipment safety factors. During 1981 there were 16,837 defects detected and corrected, and in 1982 there were 14,142 defects detected and corrected.

FIGURE NO. 12-1

SUMMARY OF INVESTIGATIONS AND INSPECTIONS
FOR THE CALENDAR YEARS 1980-1982

	Number of Items Investigated or Inspected			Vehicles Without Defects			Vehicles With Defects Not Grounded			Vehicles With Defects Grounded			Number of Violations on Vehicles With Defects		
	1980	1981	1982	1980	1981	1982	1980	1981	1982	1980	1981	1982	1980	1981	1982
Number of Full Time Inspectors	11	11	11												
Bus Stations—For Safety Adequacy & Sanitation:	318	237	205	113	82	50									
Equipment & Safety Factors:															
Bus	464	602	519	335	447	427	129	155	92	26	43	27	475	439	304
Truck	4,915	5,685	4,174	1,243	1,480	724	3,672	4,205	3,450	747	921	808	16,483	16,398	13,838
Compliance with Rules:															
Freight Terminals	70	83	75												
Home Office Records	129	57	47												
Driver Safety Records	129	110	98												
Economic Factors:															
Vehicles & Commodities	10,850	8,778	11,244												
Violations Reported	2,317	2,462	3,075												
Status Reports Issued	52	39	39												

Action Initiated by the Commission: Due to Complaints by the Consuming Public and Competitons:	1980	1981	1982
Bus Companies	18	26	14
Truck Companies	273	257	216
Railroads	30	70	18
Bus Schedules	197	162	162
Show Cause Orders Served	29	39	49
Other (Water, Telephone, Elec.)	10	1	4

Total Miles Traveled by Inspectors:

	1980	1981	1982
By Bus	—0—	—0—	—0—
By Car	296,584	321,608	308,260
TOTAL	296,584	321,608	308,260
Fees Collected by Inspectors: Penalties & Registration	$37,225	$40,401	$58,569